

RANKIN COUNTY SCHOOL DISTRICT

# **PROCUREMENT CARD GUIDELINES**



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## **Introduction**

Section 31-7-7, Mississippi Code of 1972, Annotated, authorizes services of the Procurement Card Program for the State of Mississippi. The program, which is an alternative method of purchasing, will provide needed resources in a timely manner. Section 10.111.03, State of MS Procurement Manual, states that various governmental entities may make purchases under the Procurement Card Program established by the Office of Purchasing and Travel provided, however, that all such purchases shall be made in compliance with the minimum policies and procedures established by the Office of Purchasing and Travel. The intent of this program is to allow government entities to make small dollar purchases easier and more economical than under previous procedures; therefore, the availability of acceptance is of utmost importance. The procurement charge card is accepted by a wide variety of businesses offering goods and services in Mississippi. The establishment of the program would help reduce administrative costs associated with small dollar purchases. The traditional process of requisitions, pricing, purchase orders, invoicing, payment vouchers and the issuance of checks to multiple vendors will be dramatically reduced.

School Districts should establish documentation and controls to govern the use of the Procurement Card Program. Controls should be designed to ensure and safeguard assets of departments/schools and also should be in compliance with State and School District regulations, policies and procedures.

The State's Procurement Card Program has no monthly or annual cost or fees associated with usage.

## **100. Getting Started**

The department/school should complete the Procurement Card Purchase Setup Form and submit it to the program coordinator. This form must be signed by the immediate supervisor of the person requesting a card (anywhere at the top of the page).

### **Complete Cardholder Agreement Form**

The Cardholder Agreement form is to be completed by the cardholder. The cardholder shall sign the statement stating that he/she has read and understands the minimum requirements and any additional policies or procedures. This form should be kept on file with the program coordinator.

## **101. Policies and Procedures**

The following are the minimum requirements for use of the Procurement Card Program.

### **The cardholder(s) shall:**

1. Assure that the item(s) purchased are required for bona fide school district purposes.
2. Assure that the prices paid are fair and reasonable.
3. Notify the merchant that the purchase is being made in the name of a government entity which is exempt from state and local taxes.
4. Assure that a list of the items purchased (either in the form of a detailed sales receipt or an order description) is reviewed and confirmed by the cardholder.
5. Assure that all items are received (no back orders allowed).
6. Assure that state contract items are purchased only from the state contract vendor at or below the state contract price.
7. Assure that purchases are within the limits set by the individual department/school and available budget authority.
8. Assure that no purchases are made from hotels, motels, restaurants, or health care providers.
9. Assure that no cash advances are made with the card.

10. Upon receipt of the monthly statement, the cardholder shall review all charges to assure accuracy. If necessary, complete applicable required documents such as dispute forms, food form, missing document form. Then reconcile the statement with copies of receipts, quotes, required documents, and appropriate signatures.
11. Forward the approved reconciled statement to the program coordinator. This should be done within **TEN** (10) business days after receipt of the statement.

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**The district program coordinator shall:**

1. Review statements and applicable documents to assure that only proper purchases have been made and that the statement accurately reflects the charges indicated on the receipts, quotes, and required documents. If correct, the program coordinator will approve the statements for payment.
2. Any purchases made by the district program coordinator will be submitted to the Chief Financial Officer for review and approval.
3. Submit disputed documents to the procurement card contract holder for review and submit copies to the department/school office.

The cardholder shall sign a statement verifying that he/she has read these minimum requirements and any additional policies established by the district and that it is understood he/she will be personally liable for any purchase that is made which is not in compliance with these procedures; and in addition to being responsible for any such charges, the cardholder may lose privilege of using the procurement card.

The district program coordinator shall sign a statement verifying that he/she has read these minimum requirements and that it is understood he/she may be held jointly liable for any purchase that is approved by the program coordinator/liaison that is not in compliance with these procedures; and in addition to being responsible for any such charges, the school district may lose the privilege of using the procurement card program.

## **102. Cardholder Responsibilities**

The following are the minimum requirements:

- The cardholder should safeguard the procurement card and account number
- The cardholder should not loan procurement card to anyone

- The cardholder should ensure that the procurement card is kept in an accessible secure location
- The cardholder shall read and sign the cardholder agreement stating that he/she has read and understands the minimum requirements and any additional policies or procedures
- The cardholder should obtain an itemized receipt/invoice for each purchase (If receipt/invoice cannot be obtained, complete a procurement card missing document affidavit form)

### **103. Procurement Card Conditions**

Departments/Schools may use the procurement card to make purchases which are for bona fide needs of the department. The maximum amount of a purchase under the program shall be \$5000 per single transaction.

### **104. Security Issues**

All Department/Schools procurement cards should be kept in a secure location such as a locked file cabinet or office safe, etc.

Cardholders should be instructed not to carry the procurement card on personal vacations, weekends and/or holidays. The cardholder should keep the procurement card separate from personal credit cards.

### **105. Lost or Stolen Cards**

Cardholders will be required to contact the program coordinator to report lost or stolen cards, as soon as, the loss or theft is discovered. The cardholder should contact their program coordinator immediately. The procurement card contract holder is required to mail replacement cards within 48 hours after receiving the report of a lost or stolen card.

### **106. Taxes**

Per Section 27-65-105(a) of the Mississippi Code of 1972, Annotated, school districts are exempt from state sales tax. This section provides that sales of tangible personal property or services made to the United State Government, the State of Mississippi and its departments, institutions, counties and municipalities or departments or school districts of said counties and municipalities are exempt from sales taxes. As a prerequisite to exemption, the sale of property or charge for services must be sold directly to, billed directly to and paid for directly by the exempt entity. Invoices and/or receipts should be reviewed to ensure that the vendor did not charge sales tax.

This exemption does not apply to sales of tangible personal property or services to contractors purchased in the performance of contracts with the exempt entity, nor the employees of the exempt entity, although the contractor or employee may be reimbursed for the expense by the exempt entity.

## **107. Expenditure Limits and Purchase Restrictions**

Per Section 10.111.03 of the State of Mississippi Procurement Manual, the Superintendent of the school district or their designee shall determine restrictions as to the use of the procurement card, consistent with the terms of the Office of Purchasing and Travel and within the statewide single order purchase limit of \$5000.

## **108. Billing**

At the end of each cycle, the procurement card contract holder shall submit a statement to each approving official including statements of individual cardholders and also, shall submit a consolidated report to the program coordinator. Each department/school is responsible for paying the procurement card contract holder with a Purchase Order.

## **109. Audits**

Audits may be performed by the district's financial auditor, the Office of Purchasing & Travel, or the Mississippi Office of the State Auditor. Transactions may be audited to verify the following (this is not an exhaustive list):

- All single purchase transactions
- The procurement card is being used for appropriate purchases
- Itemized receipts/invoices and/or Procurement Card Missing Document Affidavit Form is attached with monthly statement(s).
- Completed applicable required documents such as:, food form and dispute form is attached with monthly statement.
- No sales tax is being charged
- Splitting Orders (Orders should not be split to circumvent spending restrictions)
- Any cardholder that reconciles statements must have their supervisor review and approve the reconciliation for accuracy and accountability

## **110. Use of the Procurement Card**

Following are the minimum conditions/instructions/limitations required for all transactions utilizing the Rankin County School District Procurement Card:

1. NO equipment or inventory items shall be purchased with the card.
2. The cardholder must obtain itemized transaction receipts from the merchant.
3. NO sales tax shall be charged to the card. Procurement card purchases are exempt from state and local taxes.
4. A procurement card Food Purchase form must be completed and filed with the itemized transaction receipt for any food purchases.
5. NO ATM cash withdrawals will be allowed on the card.
6. NO radioactive or hazardous materials should be purchased with the card.
7. NO back orders will be allowed on the card. Verify that phone orders are in stock and will be ready for immediate shipment or that the purchase will be charged ONLY at or after date of shipment.
8. NO travel and entertainment expenses should be charged to the card.
9. NO personal use of the card will be authorized or allowed.
10. NO card transaction may exceed five thousand dollars (\$5000) in a single transaction.
11. All items purchased are required to be for bona fide school district purchases.
12. The cardholder should ensure that the prices paid are fair and reasonable.
13. NO gifts or incentives should be purchased using the card.
14. The Procurement Card may be used for the following:
  - Memberships
  - Software, provided you are not signing a Licensing Agreement
  - Freight/Shipping Charges
  - Postage
  - Subscriptions/Publications
  - Advertising
  - Space Rental at Conferences/Conventions
  - Registration fees



### **111. Special Inventory Items**

The Following items may NOT be purchased with the Procurement Card regardless of cost:

- Computers and Printers (greater than \$250)
- Cameras and Camera Equipment (greater than \$250)
- Televisions (greater than \$250)
- Two-way radio equipment
- Lawn Maintenance Equipment
- Cellular Telephones
- Chainsaws
- Air compressors
- Welding Machines
- Generators
- Motorized Vehicles
- Travel related costs
- Weapons
- Other equipment greater than \$1,000.00

The preceding list is general and subject to change. If you have any questions about whether an item would be considered a special inventory item, please contact the program coordinator.

# FORM A



## PROCUREMENT CARD PURCHASE SETUP FORM

NOTE: This form should be completed by the Agency Program Coordinator with the required information input by the Cardholder.

<b>SECTION I</b>	<b>INSTRUCTIONS</b>  1. To add a new account, Cardholder completes the information below. 2. Maintain a copy in the Cardholder and Agency Program Coordinator's files. 3. Mail the completed form to Office of Purchasing, Travel, and Fleet Management, 701 Woolfolk Building, Suite A, 501 North West Street, Jackson, MS 39201.	
<b>SECTION II</b>  <input type="checkbox"/> New Account <input type="checkbox"/> Reissue Replacement Card <input type="checkbox"/> Request Lost/Stolen Replacement <input type="checkbox"/> Change Account Address <input type="checkbox"/> Change Control Account	<b>REPORTING PARAMETERS</b>  <input type="checkbox"/> Change Authorization Strategy <input type="checkbox"/> Close Account <input type="checkbox"/> Update Account Information <input type="checkbox"/> Emergency Card Replacement <input type="checkbox"/> Authorization Override	
<b>SECTION III</b>		
<b>CARDHOLDER INFORMATION (Please Print)</b>		
Account Number _____	Cardholder's First Name _____	Cardholder's Last Name _____
Department/Agency Name (maximum 21 characters) _____		Business Phone (Include area code) _____
2 <sup>nd</sup> Line Embossing (maximum 21 characters/data on Front of Card) _____		Fax Number (Include area code) _____
Statement Mailing Address Line 1 (maximum 36 characters) _____		Last 4 digits of Social Security Number _____
Statement Mailing Address Line 2 (maximum 36 characters) _____		Position _____
City _____	State _____	Zip _____ Country _____
Email Address _____		
Authorization Strategy No. _____		Reporting Levels/Agency No. _____
Control Account No. _____		
<b>SECTION IV</b>		
<b>AUTHORIZATION PARAMETERS</b> Please select one of the spending limits below. If one is not selected, then the credit level will default to Credit Level 5.		
<b>Credit Level 1</b>  <input type="checkbox"/> Monthly Credit \$ 30,000 Single Transaction Limit \$ _____ (Cannot exceed \$5,000. If left blank will default to \$5,000)	<b>Credit Level 2</b>  <input type="checkbox"/> Monthly Credit Limit \$20,000 Single Transaction Limit \$ _____ (Cannot exceed \$5,000. If left blank will default to \$5,000.)	<b>Credit Level 3</b>  <input type="checkbox"/> Monthly Credit Limit \$10,000 Single Transaction Limit \$ _____ (Cannot exceed \$5,000. If left blank will default to \$5,000)
<b>Credit Level 5</b>  <input type="checkbox"/> Monthly Credit \$1,000 Single Transaction Limit \$ _____ (Cannot exceed \$5,000 and cannot exceed monthly limit.)	<b>Credit Level 6</b>  <input type="checkbox"/> Monthly Credit \$500 Single Transaction Limit \$ _____ (Cannot exceed \$5,000 and cannot exceed monthly limit.)	<b>Credit Level 7</b>  <input type="checkbox"/> Monthly Credit \$100 Single Transaction Limit \$ _____ (Cannot exceed \$5,000 and cannot exceed monthly limit.)
<b>Credit Level 4</b>  <input type="checkbox"/> Monthly Credit Limit \$5,000 Single Transaction Limit \$ _____ (Cannot exceed \$5,000. If left blank will default to \$5,000.)		
<b>Credit Level 8</b>  Monthly Credit \$ _____ Single Transaction Limit \$ _____ (Cannot exceed \$5,000 and cannot exceed monthly limit.)		
<b>SECTION V</b>		
<b>CARDHOLDER SIGNATURE</b> I understand that the Card is to be used for official purchases only. I understand that it is my responsibility to notify UMB if my card is lost or stolen. Cardholder Signature _____ Date _____		
<b>SECTION VI</b>		
<b>AGENCY PROGRAM COORDINATOR SIGNATURE AND PHONE NUMBER</b>		
Approving Agency Program Coordinator's Signature _____		Date _____
Approving Agency Program Coordinator's Name (printed) _____		Date _____
Approving Agency Program Coordinator's Business Phone Number (with area code or country code) _____		
Approving Agency Program Coordinator's Fax Phone Number (with area code or country code) _____		



## FORM B

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### MISSISSIPPI DEPARTMENT OF FINANCE AND ADMINISTRATION OFFICE OF PURCHASING, TRAVEL AND FLEET MANAGEMENT PROCUREMENT CARD SERVICES PROGRAM

#### CARDHOLDER AGREEMENT

I, \_\_\_\_\_, (the cardholder) understand that I am being entrusted with a valuable tool that will be utilized to make financial commitments on behalf of my agency and will strive to obtain the best value for my agency and the State. I \_\_\_\_\_ (the cardholder), also agree to accept the responsibility for the protection and proper use of the State's Procurement Card in accordance with the terms and conditions below:

1. Cardholder agrees to purchase commodities/services for official government purposes. (Personal items may not be charged at any time.)
2. Cardholder agrees to notify the merchant that the purchase is made in the name of a government entity which is exempt from state and local taxes. (If taxes are charged, obtain credit immediately.)
3. Cardholder agrees to provide supporting receipts from merchants and/or a transaction log for each transaction. (Supporting receipts must be either in the form of a detailed sales receipt or an official printed order description.)
4. Cardholder agrees upon receipt of the monthly statement, to review all charges to assure accuracy, and complete applicable disputed documents, reconcile the statement with copies of receipts and order logs, approve and sign the statement.
5. Cardholder **must** provide statements, copies of receipts, logs, and dispute documents to the appropriate official within the agency according to agency policy. This should be done within **ten (10) days** after receipt of the statement.
6. Cardholder agrees not to share the assigned procurement card or card number with anyone other than the merchant where business is being conducted. Cardholder understands that if shared with anyone other than the merchant that the agency or the Office of Purchasing and Travel may take disciplinary action as a result.
7. Back orders are not allowed. (Assure that all commodities are received).
8. Cardholder agrees not to make split purchases. (Split purchases are not allowed. Cardholder should be aware before the purchase is made that the purchase will exceed the single-purchase limit. MS Code 31-7-13 (b) Purchases over \$5,000 require two written quotes). (See MS Code 31-7-13 (o) for splitting a purchase).
9. Cardholder agrees not to request/provide cash advances. (Cash advances are not allowed).
10. Cardholder agrees not to charge travel related expenses on the procurement card. (Any form of travel related expenses is not allowed).
11. Cardholder agrees not to purchase equipment or inventory with the procurement card. (No equipment or inventory items are to be purchased with the procurement card).
12. Cardholder agrees if the card is lost or stolen, to notify the bank and the Agency's Coordinator immediately.
13. Cardholder agrees to return the card immediately upon request, termination, resignation or retirement.

## Cardholder Agreement (con't)

I, \_\_\_\_\_ (name of cardholder), certify that I have read and fully understand the above terms and conditions and I hereby agree to comply with the terms and conditions of the Procurement Cardholder Agreement, the Procurement Card Policies and Procedures and Guidelines, as well as, any additional policies or procedures established by the Office of Purchasing and Travel, and the agency's policies and procedures for use of the State of Mississippi Procurement Card. I understand that I will be held personally responsible for all charges for any purchase which is made and is not in compliance with these procedures. I also understand that my own agency may have additional restrictions and that I will abide by any and all such requirements. In addition to being personally liable for any such charges not in compliance, I understand that failure to follow the established procedures for use of the card may result in either the revocation of my privileges or other disciplinary actions.

Cardholder acknowledges by his/her signature to this agreement below that he/she agrees to comply with the following terms and conditions stated above.

\_\_\_\_\_  
Printed Name of Cardholder

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Cardholder

I, \_\_\_\_\_ (name of program coordinator), certify that I have read and fully understand the policies and procedures for use of the State of Mississippi's, Procurement Card and that I understand that I may be held jointly responsible for all charges for purchases which I have approved, but which are not in compliance with these procedures. I also understand that my agency may have additional restrictions and that I will abide by any and all such requirements. In addition to being jointly liable for any such charges, I understand that misuse of the program may be cause for loss of procurement card privileges for our agency.

\_\_\_\_\_  
Printed Name of Program Coordinator

\_\_\_\_\_  
Agency/Organization Name

\_\_\_\_\_  
Signature of Program Coordinator

\_\_\_\_\_  
Date

<b>Office of Purchasing, Travel and Fleet Management's Use</b>	
Emailed: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Authorization Strategy No.	Reporting Levels/Agency No.
Procurement Card Administrator	Date

## FORM C



### ***VISA PURCHASING CARD DISPUTE FORM***

#### ACCOUNT INFORMATION

Name: \_\_\_\_\_ Account Number: \_\_\_\_\_  
Company Name: \_\_\_\_\_ Business Phone: \_\_\_\_\_

#### TRANSACTION INFORMATION

Merchant Name: \_\_\_\_\_ Amount of Dispute: \_\_\_\_\_  
Date of Transaction: \_\_\_\_\_ Reference Number of Transaction from Statement: \_\_\_\_\_

#### DISPUTE DETAILS

Please mark the appropriate dispute reason listed below and if indicated, provide the requested documentation.

- ☐ Need a copy of the transaction in order to submit payment.
- ☐ I do not recognize the above merchant. I am asking that the merchant provide me with more information to help identify whether or not the charge is valid. All valid cards issued to this account are in my possession.
- ☐ Although I did engage in the above transaction, I am disputing \$ \_\_\_\_\_ of the above charge. I have contacted the merchant and attempted to resolve the matter. I have provided the details below.
- ☐ Amount is to be billed to a different UMB card number. UMB card number: \_\_\_\_\_
- ☐ Incorrect Amount. *Must provide copy of receipt.* I was billed \$ \_\_\_\_\_ but should have been billed \$ \_\_\_\_\_
- ☐ Duplicate Posting. The original transaction posted to my statement for \$ \_\_\_\_\_ on \_\_\_\_\_ date.
- ☐ I returned the merchandise to the merchant on \_\_\_\_\_ date. The reason for return is listed below. *Must provide proof of return.*
- ☐ I have a credit slip and the credit has not posted to my account. *Must provide copy of credit slip.*
- ☐ To best of my knowledge I, nor anyone authorized by me, received the goods or services represented by the charge. I also certify that I, nor anyone with my permission, engaged with the above merchant in any manner.
- ☐ I have not received the merchandise and it was to be delivered on \_\_\_\_\_ date.  
*Must give dates when the merchant was contacted to check on the status of the order & their response below.*
- ☐ I cancelled a guaranteed late arrival hotel reservation on \_\_\_\_\_ date at \_\_\_\_\_ time & cancellation # is: \_\_\_\_\_
- ☐ Other. Details of the dispute have been provided below.

#### ADDITIONAL INFORMATION REGARDING THE DISPUTED CHARGE

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SEND THIS FORM TO:  
UMB Bank Card Center  
ATTN: PURCHASING CARD DISPUTES  
P.O. BOX 419734  
KANSAS CITY, MO 64141  
FAX: 816-843-2485

\_\_\_\_\_  
Cardholder's Signature & Today's Date

**FORM D**  
**PROCUREMENT CARD**  
**MISSING DOCUMENT AFFIDAVIT**

Cardholder: \_\_\_\_\_ Account Number: \_\_\_\_\_

Signature of Department Supervisor: \_\_\_\_\_

Item Description Cost	Date of Purchase	Vendor
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Detailed explanation of missing documentation: \_\_\_\_\_

~~The undersigned employee responsible for said missing documentation hereby states under oath that the above facts are true and correct to the best of his/her knowledge:~~

DATE: \_\_\_\_\_;

SIGNATURE OF EMPLOYEE: \_\_\_\_\_

This Date Personally Appeared Before Me, the undersigned authority, in and for \_\_\_\_\_ County, State of Mississippi, the above named employee, who, being first duly sworn, state on his/her oath that the above facts are true and correct to the best of his/her knowledge.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the \_\_\_ day of \_\_, 20\_\_

\_\_\_\_\_  
Notary Public

NOTE: This affidavit shall be attached to the cardholder's statement and filed with the Approving Official.

# FORM E

## Office of Purchasing and Travel

### FOOD PURCHASE

DATE OF EVENT: \_\_\_\_\_ AGENCY: \_\_\_\_\_

TIME OF EVENT: \_\_\_\_\_ CONTACT NAME: \_\_\_\_\_

REQUESTING INDIVIDUAL: \_\_\_\_\_ CONTACT PHONE: \_\_\_\_\_

RESTAURANT/VENDOR: \_\_\_\_\_

CHECK BOX THAT APPLIES: MEETING/EVENT ☐ BULK FOOD PURCHASE ☐

NAMES OF PARTICIPANTS\*\*

TITLE/AFFILIATION

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

GROUP ATTENDING: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

PURPOSE: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\*\* If more than 10 people were present, give a general description of who attended the meeting/event with the name or names of the people leading the event:

\*\* If the purchase is a bulk food purchase be sure to include a purpose for the purchase

\_\_\_\_\_  
Signature of Requesting Individual Cardholder

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Approving Program Coordinator or Agency Head

\_\_\_\_\_  
Date