Purchasing Card Program
Cardholder Procedure Manual

SNOQUALMIE VALLEY
SCHOOL DISTRICT

September 2023

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INTRODUCTION

The p-Card program is designed to streamline your department's purchasing needs while at the same time providing the necessary financial controls to safeguard the districts assets. The purchasing card program will assist in reducing the number of petty cash funds, check requests as well as, reducing the need to use personal funds for business purposes.

The Purchasing Department and Accounts Payable are responsible for the implementation, maintenance, program compliance, auditing, payment processing, and bank relations to solve customer service issues. Each cardholder has the responsibility to review, reconcile, and submit their monthly account statement with the appropriate receipts and signatures for payment processing by the due date.

The purpose of this manual is to acquaint you with information about the p-Card program's policies and procedures. It describes many of your responsibilities as a cardholder and outlines the processes and procedures to facilitate secure, timely, and accurate purchasing transactions. It also includes helpful information and instructions for documentation, reconciliation, and review.

All procedures must be adhered to as outlined in this manual. All purchasing policies, regulations and procedures apply. Failure to comply can result in the suspension from the p-Card program and include disciplinary action. The p-Card issued to the cardholder is the property of Snoqualmie Valley School District No. 410 and can be cancelled at any time. Periodic audits will be conducted to ensure the cardholder follows set policies and procedures.

As the District's needs change and usage continues to grow it may be necessary to revise or supplement a portion of the manual from time to time as deemed appropriate. If questions arise in the meantime, please contact the Business Office and p-Card Administrator.

CODE OF CONDUCT

The Code of Conduct for Snoqualmie Valley School District No. 410 Purchasing Card Program is designed to provide the cardholder a general philosophy and set of guidelines to follow regarding the use of the card.

- **Purchases**
  p-Card purchases should be made so that the organization gains the maximum value and quality for each purchase.

- **Limitations on Vendors**
  Cardholders must not make p-Card purchases from friends or relatives where the cardholder has a financial interest.

- **Vendor Gifts**
  Decline all personal supplier gifts offered. Cardholders must not accept any gift from any source if offered, or appears to be offered, to influence decision-making regarding p-Card purchases.

- **p-Card Agreement**
  The issuance of a p-Card is strictly prohibited prior to receipt of a signed agreement from the employee.

- **Personal Use of p-Card**
  Only authorized business purchases may be completed with the p-Card. Any personal purchases are strictly prohibited.

- **p-Card Security**
  The p-Card is the property of Snoqualmie Valley School District No. 410 and as such should be always kept in a secure location and safeguard of the account number. Your statements should also be maintained in a secure location, as your account number is printed on it. DO NOT post your account number at your desk, or any other place easily accessible to others.

- **Authorization**
  DO NOT share the use of your card with anyone. Only the employee to whom the card is issued is authorized to use it. Delegating the use of the p-Card to another employee is strictly prohibited.

- **Vendor Selection**
  Where required in accordance with District policy, all vendors should be offered an equal opportunity to participate in the organization's purchasing programs and to offer competitive pricing.

- **Vendor Disagreements/Disputes**
  If a disagreement occurs with a vendor, the employee should make every effort to reach a reasonable and equitable settlement to the dispute. If it is not possible to settle the disagreement under reasonable circumstances, submit the details related to the dispute to the p-Card Administrator and Business Office.

- **Negotiations**
  Cardholders are required to conduct themselves in a good faith manner when negotiating with suppliers. Any intentional misrepresentation is strictly prohibited.

- **Organization Policies**
  Cardholders are to adhere to District policy as it relates to the p-Card Program.

- **Documentation**
  All purchases using the p-Card program must be properly documented for business purposes. Any altered or forged documentation is strictly prohibited.

- **Purchase Restrictions**
  The purchase of products, services, or commodities on the restricted list in the Purchasing Card Procedure Manual as follows in Section 1 is strictly prohibited. Check with your Supervisor or the p-Card Administrator if you have any questions about whether a charge is valid under the p-Card program.

- **Purchase Limits**
  All dollar value purchase limits will be adhered to under the program and any splitting of transactions to avoid authorized limits is strictly prohibited.

- **Returning Purchasing Cards**
  The p-Card is the property of Snoqualmie Valley School District No. 410. Upon separation of employment, the card must be surrendered to Business Office.

- **Business Practices**
  In all vendor relationships and purchasing, promote and cooperate with trade and professional associations and with state, federal, local, and private agencies on encouraging fair, ethical, and legal business practices.

1. PURCHASING GUIDELINES AND LIMITS

Overview

Snoqualmie Valley School District No. 410 allows only certain purchases to be made using the p-Card. All purchases must be made in compliance with the purchasing policies and the guidelines set forth in this manual. Any violation will result in disciplinary action. Only the authorized cardholder may use the p-Card and no authority is permitted to the cardholder for the delegation of its use. Business Services establishes purchasing limits based on position and responsibilities and in accordance with Board policy and administrative regulations. Business Services will perform periodic audits to verify adherence to policies and procedures.

Allowable Purchases

- General Supplies/Supplies not available in the district warehouse. PO's preferred
- Membership Dues (for business purposes only). POs preferred.
- Registration for conferences and workshops (for business purposes only). POs preferred.
- Meeting/Conference expenses. PO's preferred
- Travel Expenses including Airfare, Car Rental (incl fuel), Taxi/Shuttle, Parking, (as permitted by District policy)
- Lodging (Contact the hotel directly. Procurement card charges to third party vendors, such as hotels.com, are prohibited. The person traveling will check out a building/department procurement card to take with them for the above expenses.)
- Meals and refreshments for in-district meetings and training sessions directly related and/or associated with school district business. (The meal costs may not exceed the per person per diem rate. For example, if the lunch per diem rate is $14, then the lunch costs for a staff of five may not exceed $70, including gratuity. Do not use contracted catering services.)
- Subscriptions (for business purposes only). POs preferred.

Prohibited Purchases

- Inventory items available in the district warehouse
- Any purchases available through E-Commerce Skyward Ordering
- Cash advances, wire transfers, or money orders
- Personal items
- Technology including computers, printers, cell phones and peripherals
- Software
- Copiers
- Audio Visual Equipment (projectors, cameras, etc.)
- Repairs
- Telephone expenses
- Meal Per Diem Travel Related
- Alcohol purchases
- Gifts certificates/cards, Donations
- Parking violations
- Gaming transactions including bets, lottery tickets, and casino gaming chips
- Independent contractors or other personal or professional services

- Maintenance contracts
- Equipment, Athletic Apparel
- Automatic Renewals
- Capital equipment
- If vendor charges a fee to use a credit card another method of payment will be used, e.g., check or purchase order.

School/Department administrators do not have the authority to make exceptions

Consequences for noncompliance to program guidelines:

- Permanent revocation of procurement card privileges
- Assignment of wages for repayment of discrepancies
- Disciplinary measures that may include termination and legal action

Cardholder Spending Limits

Each cardholder has a designated credit limit for monthly purchases. In addition, purchases may be limited by total daily dollar volume, type of transaction, merchant category, and purpose of purchase. Any intentional circumvention of these limits is strictly prohibited. This includes splitting a transaction amount with the same vendor or multiple vendors for purchases that would otherwise exceed the cardholder's limits. A ***Statement of Authority (Attachment B)*** identifying individual limits will be provided at time of issuance.

NOTE: The **cardholder** is responsible for ensuring that all required steps are completed when placing an order.

How Can I Use the p-Card?

The p-Card may be used for the following type of transactions, subject to Statement of Authority limitations.

- Telephone Orders
- Fax/Mail Orders
- Online Purchases
- Over the Counter

To Place a Telephone Order

- Have your p-Card ready before placing the call.
- Always ask for the education or government sales representative.
- Confirm shipping costs.
- Be sure to specify the shipping address to the vendor. Shipping is required to be shipped to a school district address.

To Place a Fax/Mail Order

- Complete all information needed on the order form and keep a copy for your records. For subscriptions this may be the only receipt provided.

- Never fax/mail a copy of your card or number unless you are sure the recipient will be receiving this information directly.
- Double-check the ship to address.

To Purchase Online

- Print out completed registration forms, confirmations, and invoices to be used as supporting documentation.

To Purchase Over the Counter

- Obtain receipt at time of purchase.
- Keep itemized and credit card receipt, if received both.

Returns

- Merchandise returns must be completed within 10 days of receipt or sooner if required by vendor.

2. RECORDKEEPING & RECONCILIATION

The cardholder is responsible for maintaining receipts for all purchases made with the p-Card. The documentation retained should include sales receipts, packing lists (if applicable) and credit card transaction receipts. A ***p-Card Summary Form (Attachment C)*** is available on the district website to assist the cardholder in tracking purchases that must be reconciled to their account statement on a **weekly basis (mandatory)**. **Account statements are available electronically using the Bank of Montreal (BMO) designated website "*detailsOnline*". (www.bmodetailsonline.com).** User ID and Password will be provided by the p-Card Administrator at the time of issuance.

Any incorrect charges, duplicate transactions or missing credits must be addressed directly between the cardholder and the vendor. Each statement will require itemization of the purpose of the expense and the account number to which the expense is to be charged. Upon completion of the reconciliation, the account statement with all documentation must be submitted to the cardholder's supervisor for authorization and signature. After review, the Supervisor will sign, date, and forward all documentation to the Business Office monthly for payment.

If you are not working for any period of time, do not use your card, where you will be unable to meet the reconciliation requirements. You must also reconcile all outstanding transactions prior to your absence.

If the Office Coordinator or the Administrator approving online will be unable to process transactions due to leave, please notify the Business Office of the card number(s) you will not be available to review and the period of time you are unavailable. All Office Coordinators or approvers will be responsible for approval of transactions for staff that are on an unplanned leave.

DO NOT SHARE YOUR BMO details Online ACCESS WITH ANYONE. Account number(s) and other confidential information are accessible at different levels.

Reconciling Prior to Submitting to Supervisor

- Compare statement to receipts.
- Confirm each transaction and verify amounts charged.
- Provide purpose for each purchase.
- Sign and date statement.
- Attach account statement to purchase receipt documentation.
- A ***p-Card Summary Form*** is available on the district website to assist with reconciliation.

Missing Receipts

- If the cardholder is missing a receipt, the cardholder must submit a ***Missing Receipt Form (Attachment D)*** available on the district website documenting the pertinent transaction information. This documentation must be approved by the cardholder's supervisor.

Examples of Receipt Documentation

- Cash register original receipt

- Airline itinerary and sales receipt (if "e-ticket" attach the email documentation)
- Itemized hotel bills
- Itemized restaurant bills. Non-per-diem travel expenses.

Sales Tax

- As a public agency, making purchases outside of Washington State or on the internet DOES NOT eliminate our responsibility to pay sales tax on all applicable purchases. The tax paid by the District to the State of Washington for untaxed purchases is called COMP TAX. If the tax was charged, leave the transaction as is. If no tax was charged and is applicable to the items(s) purchased, mark the Comp Tax box and the site code in "Edit Master" when approving the charge.

3. BILLING AND PAYMENT SCHEDULE

ALL RECONCILED STATEMENTS MUST BE SUBMITTED TO ACCOUNTS PAYABLE BY THE 5th OF EACH MONTH. Any ongoing card disputes that have not been resolved at time of reconciliation is due, should be notated as pending, along with the completed vendor/service disputed statement form.

Any account statements missing the proper approvals and documentation will be returned to the cardholder's supervisor to be resubmitted appropriately. If a cardholder is consistently delinquent in submitting their reconciled account statement to the Accounts Payable Department, the p-Card administrator, and the cardholder's supervisor may review their status as a participant in the program and suspend their privileges until an adequate resolution is achieved.

Next Year Purchases – After the District has opened the option to create the Next Year Purchase Orders, then pre-pays can be made. All Next Year Purchases require a PO, even if a P-Card is used as method of payment. When approving and coding P-Card transactions, you must note the school year in the description on **every transaction** (current school year as well as next school year). For example, **"2018-2019" or "2019-2020."** Contact the Business Office with approval prior to purchase and questions regarding specific situations.

4. DISPUTED TRANSACTIONS

At times there may be disputed transactions appearing on the cardholder's account statement. The dispute may arise due to non-delivery of the goods or services, incorrect billing, duplicate billing, missing a valid credit not processed to the account for a return, altered charges or defective merchandise. ***In these situations, it is important for the cardholder to immediately seek resolution with the vendor.***

Disputes
Any disputes that cannot be resolved by the cardholder directly with the vendor may contact the p-Card Administrator for assistance. In these cases, the cardholder must complete a ***Statement Dispute Form (Attachment F)*** documenting the reason for the disputed item and other transaction details. The cardholder must submit the form to the p-Card Administrator, who will deal directly with the bank and the vendor. The cardholder will assist in ensuring that appropriate credits for reported disputed items or billing errors appear on subsequent statements.

Returned Merchandise
If a vendor does not issue a credit for a returned item within 20 days of the return, the cardholder must also complete the ***Statement Dispute Form*** and submit it to the p-Card Administrator. This form will be used as notification to both the bank and the vendor.

Key Dates
- Returns must be completed within 10 days of receipt of merchandise or sooner if required by vendor.
- The cardholder has 10 days from the date the merchandise is returned to receive credit. If credit has not been received, begin the dispute process with the vendor.
- Complete ***Statement Dispute Form*** and submit to p-Card Administrator no later than 20 days after merchandise is returned and efforts to rectify with vendor have been unsuccessful.
- The p-Card Administrator must notify bank of any disputed transactions within 30 days of the statement date.

Helpful Tips for Returns, Damaged Goods, Credit
- Returns must be made within 10 days or sooner if required by vendor.
- Items should be returned directly to the vendor by whichever means the vendor requires.
- Always retain boxes, containers, materials, packing slips, etc. until it is certain that the goods will not be returned.
- Read all enclosed instructions carefully. Phone numbers and special instructions are often included on packing slips or delivery receipts.
- Many vendors require a "Return Authorization Number" before they will accept a return. If this information is not provided with the return, the package may be refused, and no credit will be given.
- If the vendor does not intend to pay for shipping charges, the merchandise should be forwarded to the warehouse with shipping information, including vendor, address, and copy of the packing slip. Items will be shipped, and the appropriate account will be charged.
- It is the cardholder's responsibility to determine that proper credit is posted for any returned item on a subsequent statement.

5. ACCOUNT MAINTENANCE

The cardholder's personal information may require updating periodically. An ***Account Maintenance Form (Attachment F)*** which can be found on the district website must be completed by the cardholder and approved by his or her supervisor. The form should be forwarded to the p-Card Administrator for review, approval, and processing. Updating the account information takes approximately three (3) working days after submission by the p-Card Administrator to the bank.

Personal Information Updates

- Cardholder name change
- Cardholder location change
- Credit limit
- Type of purchasing allowed by the cardholder
- Cancellation of the cardholder's account
- Suspension of the cardholder's account

6. TRAVEL

All appropriate travel documentation must be attached to the statement, approved by the supervisor, and submitted to the Accounts Payable Department for payment. The cardholder would submit the ***p-Card Summary Form*** for reconciliation purposes as well. The cardholder must adhere to the district's travel procedures. All travel must be for business purposes only and any personal use is strictly prohibited.

Travel Tips and Reminders

- The p-Card must NOT be used for gasoline for your personal vehicle when it is used for business purposes. Business travel incurred when using your personal vehicle will be reimbursed by claiming mileage on your expense report. If you are traveling with a rental car, then gasoline may be purchased using the p-Card.
- The p-Card may be used to pay for qualified purchases on itemized hotel bills.
- The district does not provide ATM privileges with the p-Card program.

7. AUDITS

Auditing p-Card Activity

To ensure the continued success of the procurement card program, all cardholder accounts are subject to periodic audits to ensure compliance with the district's overall policies and the policies outlined in this manual. The p-Card administrator, Accounting Supervisor of Business Services, and/or Assistant Superintendent will review daily, monthly, and annual transaction activity reports as deemed necessary to ensure adherence to the p-Card policies. If an audit reveals a policy violation, the cardholder and their supervisor will be contacted and disciplinary action assessed, based on the type of violation.

Violations

- Unauthorized purchases
- Purchase of prohibited products, service, or merchandise outlined in the organization's policies and in this manual
- Intentional splitting of transactions to circumvent the credit limit including single day and single transaction limits
- Consistently delinquent accounts submitted for processing and payment
- Personal use of p-Card
- Allowing an unauthorized person to use the p-Card
- Fraudulent transactions with a vendor
- Violation of the District's Purchasing Policies

8. LOST OR STOLEN CARDS

If the card is lost or stolen, the cardholder must immediately **contact BMO by phone at 800-361-3361** or by fax at 888-224-5394. The Accounting Supervisor of Business Services, Assistant Superintendent for Business Services and the p-Card Administrator should also be notified of possible loss, theft, or unauthorized use of the p-Card. Important contact information is provided on the following page.

The cardholder should also complete the ***Account Maintenance Form*** documenting the card was lost or stolen and the date that it was noticed missing. Upon notification, the card will be suspended immediately, and any charges posted to the account after the "missing date" will be denied. A new card will be issued upon completion of an application indicating the card is a replacement. After the application is received by the p-Card Administrator it will take approximately two (2) days to reissue a replacement card.

Card Security Tips

- The p-Card should be always retained in a secure location.
- When presenting your card for purchases, provide your driver's license to identify you as the authorized user of the card.
- A cancelled card should be returned as soon as possible to the Business Office for disposal.
- Do not provide your card account number to unsolicited marketing calls.

The SVSD procurement card is a special type of charge card. Cardholder limitations have been coded in the card to control its use in the following ways:

- Maximum dollar amount per transaction
- Total spending limit per month per cardholder
- The type of supplier/merchants allowed, as defined by merchant category codes

Important Contact Information

- **BMO/Harris Bank**
  - 1-800-361-3361 (Lost/Stolen - Emergency Replacement)
  - 1-888-224-5394 - fax

- **p-Card Administrator**
  - Jennifer Gardner
  - 425-831-8013 - office
  - gardnerje2@svsd410.org

- **p-Card Administrator Assistant**
  - Amanda Heikkila
  - 425-831-8011 - office
  - heikkilaa@svsd410.org

- **Accounting Supervisor for Business Services**
  - Christina Williams
  - 425-831-8025 - office
  - williamsc@svsd410.org

- **Assistant Superintendent for Business Services**
  - Ryan Stokes
  - 425-831-8011 – office
  - stokesr@svsd410.org

The following resources are available to assist you with using the procurement card, answer any questions you may have, and help resolve any problems that may arise.
Business Office:

- To request new card(s) and training
- To request assistance with use of the card
- With questions about limits, card restrictions, suppliers or process a dispute
- With questions concerning payments, transactions, the dispute process

Bank of Montreal/Harris Bank, PROCUREMENT CARD CUSTOMER SERVICE (Primary 1-800-263-2263):

- To request copies of receipts
- To determine if charges or credits have posted to the account
- To obtain balance owing on the account
- To cancel or report lost/stolen procurement cards 24 HOURS A DAY (1-800-361-3361)

9. CARD HOLDER SET-UP AND ACTIVATION

New Participants

Once an application has been approved by the p-Card Administrator and the bank has processed the request, an account for the cardholder is established. The new participant must attend a p-Card Training Session where the Purchasing Card Procedure Manual will be provided. In addition, the ***p-Card Agreement Form (Attachment A)*** that outlines the responsibility of the cardholder must be signed prior to the release of the p-Card to the cardholder from the p-Card Administrator.

10. GENERAL SUMMARY & IMPORTANT REMINDERS

Cardholder's Responsibilities ---

- Ensure the p-Card is used for legitimate business purposes only.
- Always maintain the p-Card in a secure location.
- Do not allow other individuals to use the p-Card.
- Adhere to the purchase limits and restrictions of the p-Card and ensure the total transaction amount of any single purchase does not exceed personal limits.
- Obtain a receipt and/or packing slip for all transactions.
- Reconcile the statement to the receipts weekly.
- Submit a reconciled and signed statement with attached receipts to Accounts Payable monthly. The cardholder may elect to use the ***p-Card Summary Form*** for reconciliation purposes as well.
- Attempt to resolve billing disputes directly with vendors. If unable to resolve the dispute the cardholder should complete the ***Statement Dispute Form*** and call the p-Card Administrator at 425-831-8xxx. Any disputed transactions must be resolved within 30 days of the statement date. (See page 9 for more specific information.)
- Ensure that appropriate credits for reported disputed items or billing errors appear on subsequent statements.
- **Immediately** report a lost or stolen card to BMO by phone at 1-800-361-3361 or fax at 1-888-224-5394. A lost or stolen card reported by telephone is blocked immediately so it is important to call regardless of the date or time. The Accounting Supervisor for Business Services (425-831-8025), the p-Card Administrator, should be notified at first opportunity. A replacement card must be requested by contacting the p-Card Administrator.
- **Immediately** report unauthorized or fraudulent charges to BMO by phone at 1-800-361-3361 or by fax at 1-888-224-5394 and notify the Assistant Supervisor for Business Services (425-831-8025).
- Return the p-Card to the p-Card Administrator in Business Services upon termination of employment from the School District.

The p-Card Can Be Revoked If ---

- The cardholder accepts a cash refund from a vendor for returned items.
- The card is used for personal or unauthorized purposes.
- An individual other than the cardholder uses the card.
- A purchase is split to circumvent the limitations of the card.
- Receipts are not provided for all transactions.
- The approved statement and accompanying receipts are not submitted by the monthly deadline. The cardholder may also elect to use the ***p-Card Summary Form*** for reconciliation.
- The cardholder demonstrates a disregard for p-Card procedures.

ATTACHMENTS/FORMS

Attachment A. **p-Card Use Agreement (Form PC-01)**
Agreement to abide by the terms and conditions of the Purchasing Card. The form must be completed and signed by the cardholder prior to issuance of the card.

Attachment B. **Statement of Authority (Form PC-02)**
Statement identifying individual limits. The form is provided at the time of issuance and must be signed by the employee and their direct supervisor.

Attachment C. **p-Card Summary Form (Form PC-03)**
Assists cardholder in tracking purchases that must be reconciled to the account statement each month. A copy of this form is available on the district website. The form may be submitted, with the account statement and receipts, to the supervisor. The supervisor will sign and forward to Accounts Payable.

Attachment D. **Missing Receipt Form (Form B-10)**
Form that must be submitted if the cardholder is missing a receipt. The cardholder's supervisor must approve this documentation.

Attachment E. **Statement Dispute Form (Form PC-04)**
To be completed by cardholder only after attempts have been made with the vendor to correct disputed items. A copy should be sent to the Purchasing Card Administrator.

Attachment F. **Account Maintenance Form (PC-05)**
An Account Maintenance Form can be found on the District website and is used to request a change in cardholder information.

Attachment G. **Hotel Authorization Form (PC-06)**
Fax form to hotel to authorize charges to p-Card for accommodations for other District employees other than the p-Card holder.