

JAMESTOWN PUBLIC SCHOOL DISTRICT CARDHOLDER MANUAL

Authorized cardholders of the Jamestown Public School District may use purchasing cards to acquire goods and services from suppliers. Cardholders are identified by the Superintendent, must complete training, and sign a cardholder agreement as a condition of card issuance and use.

What is a Purchasing Card?

The purchasing card is a method of payment for school employee use to make purchases for official school business, and the administration encourages the use of the purchasing card.

The purchasing card payment system is an individual bill/central payment system. The cardholder may receive a monthly account statement for information and reconciliation purposes only. The Business Manager obtains a consolidated electronic billing file and makes payment to JP Morgan Chase on behalf of all cardholders. Expenditure transactions are processed through our business software and posted to the appropriate school accounting records.

A purchasing card IS

1. Authority delegated by Superintendent to individual school employees.
2. For official Jamestown Public School use only.
3. Authorized for use with only certain categories of merchants.
4. Authorized for purchase of goods and services for Jamestown Public School

A purchasing card IS NOT

1. A means to avoid appropriate payment procedures.
2. A means to access cash or credit.
3. A right of employment.
4. For personal use.

What are the Benefits of a Purchasing Card?

The purchasing card enables personnel to perform more effectively and focus on the value-added aspects of their jobs by:

1. Reducing administrative costs for the school district.
2. Eliminating purchasing delays.
3. Reducing the amount of paperwork.
4. Improving supplier relations.
5. Receiving increased information about purchasing transactions.
6. Reducing the number of checks issued.
7. Revenue cost sharing.

Who are Likely Cardholders?

Cardholders are identified by Superintendent, must complete training, and sign a cardholder agreement as a condition of card issuance and use.

1. Administrators
2. Directors: Child Nutrition, Transportation, Activities, Maintenance
3. Departments/Programs: Before and After School, Athletic Departments, Library, etc.

Cardholder Limits

A \$750 single purchase limit and a \$2,000 monthly maximum limit are the basic Pcard amounts. To fund your Pcard or request higher limits, contact the Business Manager. Pcards are limited to business type categories. For example: your Pcard may not be authorized to purchase gas, airline tickets, etc.

Travel Requests

Travel requests are to be reviewed and approved by your building administrator in accordance with applicable policy prior to making travel arrangements. After the approved travel, you may e-mail a balance sheet to the business office or hand-deliver it. On the balance sheet, list your expense items by category: fees, travel, lodging, event tickets, student per diem and miscellaneous expenses. Once approved, the Pcard administrator will load your Pcard and indicate the reason for the amount in the account memo section. Pcards are web based.

Local Purchasing and Purchases Not Authorized on P-Cards

The traditional purchase order process is followed for those purchases not included or not authorized in the purchasing card process. Cardholders will be required to follow board policy on local purchasing to acquire goods and services from local suppliers.

Cardholder Credit Rating

When uses of the purchasing card result in a liability to Jamestown Public School; it is not a personal liability for the cardholder. The cardholder's credit rating will not be affected. However, it is important to remember that the cardholder agrees to the terms and conditions of using a purchasing card and is personally liable for any misuse of the purchasing card as outlined in NDCC 44-08-05.1.

The JP Morgan Chase Purchasing Card Program provides liability protection to the school district once notification of any loss, theft, or fraudulent use is made. However, the same level of liability protection does not apply to cards that are made available to multiple users. Therefore, only the person whose name appears on the card is allowed to use that card. If multiple users are allowed to use a card, for example a card assigned to a summer school program, the person who signed the cardholder agreement is held responsible for charges made on that account.

Guidelines for Purchasing Card Use

The following items cannot be purchased with a purchasing card without School Board approval:

1. Legal services
2. Tax reportable services – 1099 (service with individuals, sole proprietorships, partnerships, estates and trusts, medical and legal services, consultants, engineers, etc.)
3. Motor vehicles
4. Non-business/personal items
5. Any item requiring formal bidding under NDCC 15.1-09-34 or Ch. 48.01.2, in which case formal bidding procedures must be followed before purchasing is authorized.

The Superintendent may place additional purchase card limits on individual card holders on a case-by-case basis. Unauthorized and personal purchases shall become the responsibility of the card holder.

Merchant Category Code Standards

All vendors are assigned a merchant category code (MCC) by their bank. Attempting to buy from merchants that are excluded will cause the transaction to be denied.

Occasionally a bank may have wrongly assigned a vendor's MCC. If a transaction is rejected for an appropriate purchase, the school Pcard administrator should ask the vendor to check with their bank to request a code change, if necessary.

Each cardholder will be assigned a MCC category which allows certain item(s) for purchase.

General Instructions for Card Use

Cardholders should give vendors their purchasing card number and expiration date, or present the card at the point of sale and tell the vendor that the school district is exempt from sales tax.

NOTE: Jamestown School's tax-exempt number is embossed in the on the front of the card.

1. Jamestown Public School District's policies, rules, and guidelines must be followed.
2. All large purchases must be competitively bid according to NDCC 15.1-09-34 or Ch. 48.01.2.
3. If the material is to be shipped or delivered, tell the vendor to enclose or mail a copy of the receipt/invoice with each shipment. Have the vendor mark it "Credit Card Order–Paid" to avoid duplicate payments. If the material is to be picked up, obtain the itemized receipt indicating the purchase price.
4. Retain a copy of the original receipts/invoices for reconciliation of the monthly statement purposes and forward the original receipts/invoices to the Business Manager.

Statement Verification

1. A monthly account statement will be sent directly to individual cardholders. (Business Office obtains an electronic billing file for payment processing.)
2. It is the cardholder's responsibility to reconcile the monthly account statement with the copies of the receipts/invoices and then forward the statement to the Business Manager. If inaccuracies and/or erroneous information exist, the cardholder must immediately notify the Business Office.

Vendor Does Not Accept Credit Cards

Not all vendors accept purchasing cards. If this happens:

1. Complete the transaction using traditional purchasing procedures. (PO's with approval)
2. Choose another vendor who accepts the Pcard.

Returns, Credits and Disputed Items

Individual cardholders are responsible for notifying the Business Manager on any erroneous charges, disputed items, or returns as soon as possible. Disputed

billings can result from failure to receive the goods charged, defective merchandise, incorrect dollar amounts, duplicate charges, credits not processed, as well as fraud and misuse.

Credits: Referring to the receipt/invoice, request the merchant place a credit on the card account.

Returns: A credit should be issued for any item that the vendor has approved for return. The credit will appear on a subsequent cardholder statement. Any returned item purchased with the purchasing card must be returned for credit. **Do not accept a refund in cash or check.**

Maintain documentation of all credits, returns, and exchanges. This is to be attached to the monthly account statement that reflects the transaction.

Disputed Items: If the cardholder has a disputed charge and the business Manager cannot reach resolution with the vendor, the Jamestown Public School District Business Manager will complete the JP Morgan Chase online Dispute Form within 60 days of the post date. If 60 days have passed, the Business Manager should still complete the form. It will be honored at JP Morgan Chase's discretion.

Declines at the Point of Sale

If a cardholder's card is declined at the point of sale, the cardholder should contact the Business Manager, who can determine why it is being declined and will be able to make account adjustments as needed. Some reasons for a decline include:

1. The cardholder has failed to activate the card by calling the toll free number listed on the sticker placed on the front of the card.
2. The cardholder has exceeded the designated single or monthly transaction limit.
3. The cardholder attempts to use the card for a blocked supplier category.

Purchasing Card Security

The purchasing card is to be treated with the same level of care that is afforded personal credit cards.

1. Do not lend the purchasing card to anyone. The only person authorized to use the card is the person whose name appears on the front of the card.
2. Do not post or write the purchasing card account number in any location that is accessible to others.
3. Use only secure web sites when sending the purchasing card account number over the Internet.

Reporting Lost or Stolen Cards

The cardholder must notify the Business Manager and JP Morgan Chase immediately when a card is discovered lost or stolen. Report a lost or stolen card to JP Morgan Chase Cardholder Support Team by calling 1-800-270-7760. This number is available 24 hours a day, 365 days a year. Cardholders will have to provide their full account number; last 4 digits of employee ID and password. (Contact a Business Manager for assistance if unable to provide correct information.)

Random Audits

Jamestown Public School District Superintendent or the Business Manager, the State Auditors Office, and the JP Morgan Chase may conduct random audits of purchasing card use. The primary purpose of the audit is to ensure that purchasing card program procedures are being followed and that:

1. Jamestown Public School procedures are being followed.
2. The purchasing card is being used for appropriate transactions.
3. Supporting documentation is complete.

Failure to Comply with Program Guidelines

Any misuse of the purchasing card or failure to comply with the applicable policies and procedures may result in the following:

1. Revocation of the purchasing card.
2. Appropriate disciplinary actions, which may include a recommendation for termination, which shall be handled in accordance with applicable policy and law.
3. Repayment of transactions resulting from personal use of the purchasing card. Repayment will include any applicable taxes.

Termination of Employment with the School District

If the cardholder's employment is terminated with the school district, the cardholder must return the purchasing card to the Business Manager, who will cancel and destroy the card.

Jamestown Public School Pcard Resources

For assistance with the following, please contact the Business Manager.

1. For questions concerning policies and procedures.
2. To replace damaged cards.
3. For assistance with suppliers.
4. For account inquiries.
5. For billing information.
6. To report a lost or stolen card.

JP Morgan Chase Cardholder Support Team –1-800-270-7760

1. Report Lost/Stolen Cards;
2. Balance Inquiry;
3. Dispute Assistance;
4. Fraud Inquiry;
5. Declined Cards.

You will have to provide your full account number; last 4 digits of employee ID and the correct password. (Contact a card administrator for assistance if unable to provide correct information.)

End of Jamestown Public School District Administrative Regulation HCAG-AR