

# PURCHASING CARD PROGRAM





## PURCHASING CARD PROGRAM

- Having a P card is a privilege, not a right
- Your P card is a method of payment for smaller dollar purchases and is for DISTRICT PURCHASES only.
- Using the P Card allows for tax exempt purchases, saving your department money.
- Travel arrangements may use the P card for payment.
- ALL purchases must adhere to Accounting & Procurement guidelines. Please refer to the guidelines for each department, that are on the department websites and or Sharepoint.
- Use sound judgment when making purchases. Remember, we are all stewards of taxpayer funds.



## PURCHASING CARD PROGRAM KEY PLAYERS

- UMB Bank – UMB CC: (Commercial card)
- P Card Program Manager– **Mark T Capps 520-2040**
- P Card Program Manager, back up– **Kim Weber 520-2462**
- Accounting– **Terry Gotchie (receipt review via Share point upload) 520-2309**
- District Internal Auditor – **Carrie Menhel (periodic audits) 520-2051**
- Approving Official - **Principal or Director**
- Cardholder – **You are the start of the process!**



## PURCHASING CARD PROGRAM

### P CARD TERMINOLOGY

- **Credit Limit-** Each card has a monthly credit limit. The monthly credit limit is determined by the department manager or school principal. This amount can be increased upon request. The limit on your card is **NOT** connected to your available budget in People Soft.
- **Single Purchase Limit (SPL)-** Each card has a purchase limit. This is a limit on a single purchase. For credit limits up to \$5,000, the SPL is your available credit. For credit limits greater than \$5,000, the SPL is capped at \$5,000. This can be increased after review by procurement and must be requested by e mail.
- **Default Expense Account-**Each card must have a default expense account. This is determined by the card holder. This account is the budget account that the majority of your expenses will be charged to. Charges not allocated will post to this account. Corrections will need to be done by journal entry in accounting.



## PURCHASING CARD PROGRAM

### P CARD TERMINOLOGY

- **Allocating Charges-** Once a charge is posted to your account, you will need to log onto UMB and allocate the expense to the correct account and provide a purchase description. This process should be done weekly. Allocating charges on **UMB DOES NOT** affect your budget at the time of allocation.
- **Account delegate-**An account delegate has access to allocate your expenses in your absence.
- **Approving Manager-**Cardholder's immediate supervisor.
- **SOA-(Statement of Account)-** These items are part of your month end packet that is upload to Sharepoint. Items include the Accounts Statement, Transaction Search Report, and receipts.



## PURCHASING CARD PROGRAM

### PURCHASING PROCEDURES DAR 10.9

- All Purchases should follow Procurement and Accounting guidelines. These are on the D11 web page under the department listings for each department.
- Always notify vendor that you are using a District P Card. This will ensure that the purchase is tax exempt. Also, the vendor may give a discount to a school district.
- Please ensure no sales tax is charged. If the vendor charges tax, you should immediately contact the vendor to have those removed. If you are in a store, like Wal-Mart, please go to customer service to have the tax removed. You, as the card holder are responsible for this. UMB does not consider sales tax a disputable item that they will pursue.
- If you are making a purchase over the phone, have the person on the other end read back your card number, expiration date, and CVV code. If they key the information into their system incorrectly, the charge will decline.
- Always shop around for the best price. This is a best practice using taxpayer funds.





## PURCHASING CARD PROGRAM

### PURCHASING PROCEDURES DAR 10.9 continued

- All purchases should be a firm fixed price.
- Never tell vendor to reduce price by telling them a competitors price.
- Tax exempt status can only be used with a D11 payment method such as the P card, or payment to the vendor by Accounts Payable.
- Competition is NOT required for purchases below \$5,000 but is recommended at \$2,500



## PURCHASING CARD PROGRAM

### AUTHORIZED USES

- Products for use in the school or department. This includes instructional materials for the classroom and office supplies. Food for staff meetings and employee appreciation.
- Each card has a MONTHLY credit limit and Single Purchase limit (SPL). These limits can be increased by E mailing the P card Program Manager.
- Travel related purchases (Registration, hotel, airfare, ground transportation). Travel purchases MUST be approved, and the P card opened for these purchases prior to making the purchase. Travel guidelines are covered in a separate attachment.
- Field trips for students.





## PURCHASING CARD PROGRAM

### UNAUTHORIZED USES

- Purchases above 5K, except as specifically authorized-Must have prior approval from P Card Program Manager and the purchasing agent for those products.
- Cash Advances, Personal Services, Purchase of Tobacco and Alcoholic Beverages.
- Fuel for personal vehicles.
- Purchase and payment for Restaurant meals (during travel, unless traveling with students). Per diem (meal money) is provided-see travel guidelines.
- Gift cards for employees. (Gift cards for needy families, or students are covered in the accounting manual & management directive MD-D3)
- Abstain from splitting charges to circumvent SPL levels. (Don't split a charge that is over The \$5,000 limit into two separate charges.)



## PURCHASING CARD PROGRAM

### UNAUTHORIZED USES, continued

- Purchases of Technology equipment are not allowed. (Computers, Printers, or anything that connects to the network must be vetted by Tech Services). Items like Digital cameras are allowed.
- All Software purchases must go through the Happy Fox ticketing system. Please E mail Sherri White with any questions. [Sherri.white@d11.org](mailto:Sherri.white@d11.org)
- Professional development. This would include a presenter coming into your school or department for a presentation.



## PURCHASING CARD PROGRAM

### SPECIAL PURCHASE REQUESTS

- If you are using an international vendor, you will need to request your card be open for international purchases. P Cards are set for domestic purchases only as the default purchase.
- Travel- Travel for District business is covered in Board Policy DKD and Regulation DKD-R.
- A separate document that you will receive once your profile is created, provides tips for using the P card for travel. In state travel has to have the approval of your school principal or immediate manager if you are not in a school.
- Out of state travel not only needs your principal or manager approval, but also your division head and Superintendent approval, regardless of the funding source.
- If you need an increase in your available credit, or you are making a purchase over \$5,000. Changing one of these items does not affect the other. They are separate data fields.
- E mail any of these request to Mark Capps and Kim Weber.



## PURCHASING CARD PROGRAM

### USING PDF FUNDS-EXEC PRO GROUP ONLY

- You may use your P card when using your Professional Development Funds( PDF) However, there are some restrictions.
- You may use the P card for professional dues, memberships and travel related expenses. Travel expenses would be registrations, airfare, hotel, and ground transportation. Out of state travel must have Superintendent approval.
- You may **NOT** use the P Card to purchase tangible items such as computers, laptops, cell phones, software, or resource materials, including books. When using your PDF, you own these items. Using the P card and getting the sales tax exemption would be a violation of the District's sales tax status.



## PURCHASING CARD PROGRAM

### SECURITY OF THE P CARD

- At this time we are experiencing a high volume of fraud. Please DO NOT store your card on websites for future purchases.
- Your P card is issued to you, and you alone. Please do not let anyone else use your card.
- Each card is coded for domestic purchases. If you are using a vendor that is international, or processes their payments internationally, your purchase will fail unless you request the card be open for international purchases.
- Each card has the TAP TO PAY FEATURE.
- Ensure the physical security of the card and protect the card number.
- Immediately report lost or stolen cards to your approving official and Mark Capps in the Procurement Office. I can lock the card from my log in.
- Safeguard account number all the time. **Never** send 16 digits of card, expiration date, and/or CVV code in an email to anyone - even me!!!
- When communicating by E mail, always include the last 4 digits of the card in the BODY of the E mail, not the subject line.



## PURCHASING CARD PROGRAM

### RESPONSIBILITIES OF CARDHOLDERS

- Please abide by all purchasing card policies, purchasing procedures, and accounting policies and procedures.
- Abuse or misuse of this privilege can result in suspension or revocation of P card
- Cardholders must comply with internal control procedures in order to protect company assets. This includes retaining receipts, identifying account to be charged, logging all transactions, and reconciling charges to the bank statement. Cardholder will contact the P-Card Administrator promptly for assistance in resolving discrepancies.
- Review all transactions that have posted weekly and allocate to the correct account string and provide a purchase description. Please check your valid budget accounts in PeopleSoft
- Complete the month end process by the 10<sup>th</sup> of the following month. If the 10<sup>th</sup> falls on a weekend, the deadline is the Friday before the 10<sup>th</sup>.





## PURCHASING CARD PROGRAM

### STANDARDS OF CONDUCT /ETHIC

#### DAR 3.200

#### **Ethics C.R.S. 24-18-104 Governing public officers**

- All employees of the District must exercise sound judgment and avoid conflicts of interest or the appearance of improprieties.
- Unauthorized commitment is an agreement that is not binding to the District solely because the District employee who made the commitment lacked the authority to enter into that agreement. This is a function of the procurement office.
- When this unauthorized commitment is not ratified, the responsible employee may be held personally responsible, and will either be required to personally make payment, or the District may make payment and recover its costs through payroll deduction of that cardholder.

## PURCHASING CARD PROGRAM

### PROBLEM RESOLUTION DAR 10.14

- Periodically, you may have an issue with a purchase.
- Cardholder should try to resolve order problems with the vendor first
- If the card is declined, please do not try the purchase more than three times. UMB will lock the card for repeated purchase failures. You can see the decline reason on the UMB site under AUTHORIZATIONS. Or contact the P card Program manager.
- Sales tax is not a disputable item on the Dispute form. Please review your receipt before leaving the store to make sure tax was not charged.
- Without resolution, the Disputed Items form should be filed IMMEDIATELY with the bank through the P Card Program Manager.
- Send dispute forms to the Program Manager and CC the Accounting Dept. (Terry Gotchie). Program Manager will then submit to UMB and order you a new card.
- For potential fraud items, UMB will investigate and credit your new card. Please keep track to make sure a credit is processed.



## PURCHASING CARD PROGRAM

### MONTH END PROCEDURES

- Month end instructions are in a separate document that you will receive once your UMB profile is created.
- Each transaction, debits and credits, must be coded to the correct budget account string and a purchase description added.
- Once this step is done, you will need to create the TRANSACTIONS WITH NARRATIVE report. This report shows the descriptions and what account you are charging. Save as a PDF to a folder on your desktop.
- Receipts and/or invoices should be taped to 8½ by 11 paper in the order of this report and scanned to your folder.
- Print your credit card statement from UMB. You will then sign the statement and scan to your folder. Please sign in blue ink.



## **PURCHASING CARD PROGRAM MONTH END PROCEDURES CONTINUED**

- All of these documents should be combined into one document and uploaded to Sharepoint. You will receive an E mail stating the file has been uploaded. Please save the packet on your computer incase you need to access the file again. Your manger will have 29 days to approve. You will receive an E mail when the file is either approved or rejected. If the file is rejected, you will need to Upload again.
- As the cardholder, you are responsible for making sure your manager knows your file is ready for approval.



## PURCHASING CARD PROGRAM

### SUSPENSION AND REMEDIES DAR 10.12

- Uploads to Sharepoint are to be done by the 10<sup>th</sup> of each month. **\*\*\*If the card holder is two months behind on uploads, the card will be locked until the uploads are current. Accounting will let me know when this is completed. The uploads are an audit requirement.**
- Violations of policy or procedures can result in suspension or revocation of P Card.
- Coaching will occur to try to rectify the issue.
- If the coaching does not work, the P Card will be locked until additional training is completed.
- Revocation for subsequent procedural violations.
- Schools or locations can request card suspensions as well as accounting or P card program manager.



## PURCHASING CARD PROGRAM

### APPROVING OFFICIAL/BUSINESS OFFICES RESPONSIBILITIES

- Should routinely monitor the activity of their cardholders, to ensure compliance with policies and procedures.
- Should immediately report any abuse or misuse or even lack of use (**to close or suspend card**).
- Review and approve all reconciled transactions by their appointed C/H's.
- Authorizers may delegate on-line editing of transactions. However, all A/O's are required to review all C/H's statements and receipts through SharePoint.
- Verification of these transactions means the principal or director agree that all items paid for using a District p-card were appropriate and in accordance with all policies and procedures. And all receipts and supporting documentation is present and ready for review by the accounting dept. and district internal auditor.
- Collect all documentation and follow the District's retention guidelines. (2 previous years plus current year) all Federal (grant) spending's documentation should never be destroyed. (Title 1)
- Track disputed items to ensure proper credit is received (could take up to two or three months to finalize investigation by UMB).





## PURCHASING CARD PROGRAM

### APPROVING OFFICIAL/BUSINESS OFFICES RESPONSIBILITIES continued

- When a cardholder uploads their documentation, you will receive an E mail.
- You will have 29 days to approve. At 30 days, the card holder will receive a rejection E mail.
- **\*\*\*If the card holder is two months behind on uploads, the card will be locked until the uploads are current. Accounting will let the P Card Program Manager know when this is completed. The uploads are an audit requirement.**
- District internal auditor will conduct checks yearly (high school) and periodic audits for Elementary and Middle Schools on the use of district funds through p-card usage.



## PURCHASING CARD PROGRAM

### When **COMMUNICATING** with the P card Program Manager

- All communication should be conducted via email unless you are away from your desk, like at a store.
- Information to include in your e mail:
- The last 4 digits of the card needing to be updated.
- Travel- please include the front page of the travel request. This will show approvals and travel dates. Out of state travel must have Superintendent approval.
- Credit increase-How much credit will you need? Please try to estimate additional purchases for the month
  - Increase Single Purchase Limit SPL? Length of time needed for the changes.
  - What is being purchased?
  - Is this an international vendor?



## PURCHASING CARD PROGRAM

### E PROCUREMENT

- District 11 has online accounts with several vendors. We get bulk pricing and tax exemption with these vendors. Please contact the P Card Program manager to assist you in setting up an account with these vendors. An attachment will be included with your welcome E mail.
- **ALL** purchases using these vendors must be for school or department use.
- Amazon Prime
- Lowes for Pros
- Office Depot
- Staples
- School Specialty



## PURCHASING CARD PROGRAM

<b>Mark Capps 520-2040</b> <b>Procurement P-Card Program Manager</b> <b>(UMB Commercial Card)</b>	<b>Terry Gotchie 520-2309</b> <b><u>Reviewer of Receipts</u> and Allocations</b> <b>(SharePoint P-card Upload questions)</b>
Conducts training for purchasing card and is responsible for all changes to card limits at UMB.	Issues with the SharePoint upload and online approving process.
Issues cards for the district & opens' cards for vendors that may be considered a special purchase. (VIP)	Reviews receipts/allocations and uploads of all supporting documentation for charges done using District credit cards.
Monitors cards on a regular basis and helps to resolve all fraudulent and disputed issues with UMB.	Tracks errors and occurrences. Will conduct additional training for continued errors.



# HELPFUL TIPS

- Once your user profile is created on UMB, you will receive a welcome two E mails from UMB. One is a welcome E mail, and the second will have your username and Temporary Password.
- Please open and login into UMB when you receive the Temp password
- Book mark the UMB Log on page
- When E mailing P Card Program Manager or Terry Gotchie regarding your card or your upload, always include the last 4 digits of the card number
- Superintendent approval for out of state travel is required, regardless of the funding source
- If your card is declined, you can see the reason on your UMB account under Authorizations
- When uploading to SharePoint, your transaction detail report total, MUST match your statement total