

# PROCUREMENT CARD MANUAL

The purpose of a Procurement Card is to maximize the use of educational funding while providing necessary controls. **The Card is a means to simplify small dollar purchases of materials and services.** The Darlington County Procurement Code applies to purchases paid for in this manner also. The same competition thresholds apply. A District Procurement Card may be used **only for pre-approved allowable purchases as outlined in this document** to purchase supplies, materials, equipment and services with values of less than \$2,500.00 per transaction. The Procurement Department will assign dollar limits accordingly.

Only designated employees that have signed a user agreement may, in the process of conducting School District business, use the District's Procurement Card for specific items. Card usage shall be audited regularly and must adhere strictly to usage procedures.

## **Procurement Department Responsibilities**

The Procurement Department will be responsible for administering the procurement card program. A list of cardholders, card numbers, along with established spending limits shall be maintained in the Finance Department.

## **Cardholder Responsibilities**

Along with the authority to use the Procurement Card comes the responsibility of:

- Monitoring the Procurement website for changes to the Procurement Card program;
- Employees are required to keep the card secure at all times. The District Procurement Card is to be protected by the same safeguards that are applied to the security of a personal credit card. It is left to the discretion of each cardholder to determine where the most secure place would be.
- **(We highly recommend that the card be kept in a locked area in the school, unless card holder is attending a conference or program where said card may be needed for purchases)**
- **If the card is given to someone else for a purchase, the cardholder (prior to use of card, must) shall record the name, date, (vendor, account number from which the purchase will be taken from) and purpose of transaction on an *Authorization Form for Using Procurement Card*. The person borrowing the card must also sign the form (before receiving the card from school locked area). (Once purchase is made the card and receipt must be returned to cardholder to attach to signed Authorization form and then submitted to bookkeeper for entry once statement is received from finance) This form must be attached to the monthly statement also with the corresponding receipt(s);**
- **Signing** Reconciling transactions monthly;
- Miscellaneous responsibilities as deemed necessary by the Procurement Department;
- Ensuring receipt of materials and services;
- Contacting the supplier to resolve any delivery problems, discrepancies and damaged goods claims.

**How to Obtain a Procurement Card** (One card will be issued to each school Principal and each District department Director as deemed necessary by the Finance department – Additional cards will be provided for those departments whose operations require them-Ex. Operations/Maintenance)

The employee must:

- \_\_\_\_\_ be an employee of Darlington County School District;
- \_\_\_\_\_ complete and sign the District Procurement Cardholder Agreement;
- \_\_\_\_\_ forward completed Agreement to the Procurement Department;
- \_\_\_\_\_ must pick up the procurement card in person;
- \_\_\_\_\_ must sign the back of the card immediately upon receipt and call the telephone number indicated to activate the card.

**Card Cancellation**

The procurement card must be canceled for the following reasons:

- The cardholder's termination of employment with the District;
- The cardholder's transfer to another position or location within the District;
- The card is revoked by the Procurement Department due to misuse by the cardholder.
- **Fraudulent activity has been detected by card company**

To cancel a procurement card, returned to the Finance Department immediately where it can be destroyed and canceled through bank same day. We prefer that the card be hand delivered to the Finance Department to expedite its cancellation. Do not send through the inter-departmental mail courier.

**Card Surrender**

The Procurement Card must be temporarily surrendered to the Procurement Department at the beginning of a leave of absence.

**Spending Limits and Guidelines**

Spending Limits: \$2,500 maximum per transaction for all cardholders;

Monthly limit is determined by the Procurement Department on budget considerations. There is no annual limit, therefore, reconciling your monthly statement to the District's Financial Software program is essential for budget control;

It is important to remember that District funds will be committed each time the card is used. Procurement Card privileges will be revoked if the Cardholder willfully violates policies or procedures or uses the card for personal purchases. Unauthorized purchases will result in personal liability, criminal, and/or civil prosecution.

Purchases that exceed \$2,500 must be processed using normal procurement through the Procurement department. **Single purchases should not be divided to circumvent the \$2,500 limit per transaction. These types of transactions are a violation of State procurement laws and will be regarded as an Unauthorized Purchase(see Unauthorized Purchases).**

### **Receipt of Materials and Services**

The cardholder shall be responsible for ensuring receipt of materials and services, and for contacting the supplier to resolve any delivery problems, discrepancies and damaged goods claims.

### **Card Transactions**

Each **Cardholder should ensure that someone is** responsible for entering each transaction in the Financial Software Program used by the District, **following guidelines set by the Finance department. If that designee is absent there should be a backup plan for data entry.** All transactions shall be entered in a timely manner **and reconciliation should be reviewed and signed by the card holder and sent to the Finance Office by the 25<sup>th</sup> of each month.**

### **Point of Delivery**

Goods purchased with the Procurement Card shall be shipped for “desktop” delivery rather than to the District Warehouse. Suppliers should be given a complete mail to or ship to address to guarantee correct delivery.

### **Returns and/or Exchanges**

- Make arrangements with the supplier before shipping an item for return;
- The supplier must credit a return and charge a new transaction. Exchange of like items (i.e. different colors, etc.) may not require a credit transaction;
- It is a merchant violation to refund cash for a credit card return. Do not allow merchants to do this. It is a Cardholder violation to accept cash. Violations of Procurement Card usage will result in criminal or civil prosecution.
- Document all returns and exchanges. This information may be needed for a formal dispute.

### **Disputed Transactions**

The Cardholder is responsible for contacting the supplier about any erroneous charges, returns or disputed items. Disputed billing can result from:

- Failure to receive goods or services charged
- Fraud or misuse
- Altered charges
- Defective merchandise
- Incorrect amounts
- Duplicate charges
- Credits not processed

### **Cardholder Recordkeeping**

- Each Cardholder (or their designee) must maintain files of transactions by month and by fiscal year. The file should include copies of receipts, bank statements, transaction log sheet and **monthly reconciliation documentation**. Cardholders must maintain documentation in a manner that will allow an auditor to quickly and easily review the records.
- When making a purchase via telephone, internet, or mail order, the Cardholder must request that a receipt or confirmation of the order be mailed directly to the Cardholder, (**not Accounts Payable nor Procurement**);
- The Cardholder should always obtain and document the name of the individual who took their order;
- The Cardholder should retain all shipping documentation.

### **Card Renewal**

A renewal Procurement Card will automatically be mailed to the Procurement Department two years from the issue date. Cardholders will be notified when their new cards are available for pick up. **Renewal cards must be personally picked up and the Cardholder must sign that they have received it.**

### **Lost or Stolen Card**

If a Procurement Card is lost or stolen, notify the Procurement Department immediately. Card Holder must then report to First Citizens.

### **Reconciliation**

Reconciliation is defined as a comparison **of original receipts** to the statement received from the financial institution. Each Cardholder will receive a detailed statement from the Financial Institution for their card in the middle of every month. This statement will list the transaction(s) that have transpired for the month and should match the Cardholder's records.

- Reconciliation must be performed monthly;
- Reconciliation should be performed by someone other than the Cardholder and be signed with the reconciler's and cardholders signature and the date;
- Compare card receipts to monthly statement and determine is Sales tax applicable to any transactions. Those transactions need to be added to the Sales tax sheet for processing of Use Tax by Finance.
- Transactions must be entered in the District's Financial Software program before the statement is sent to the Procurement Department for payment;
- **Reconciled statements to be received in the Procurement Department. DUE BY 25<sup>TH</sup> OF EACH MONTH TO FINANCE OFFICE.**
- Transactions occurring after the 25th of the month may not appear on your statement; these items should be carried forward to the next month);
- Receipt of the reconciled, signed monthly statement from the Cardholder will be perceived as approval of all transactions appearing on their current statement.
- **Balance of statement MUST match the balance of entries before signing off and sending in to DCSD.**

## **Audit Procedures**

Darlington County School District Procurement Department will perform regular audits of procurement card files. Such audits will be designed to verify that card transactions are authorized and appropriate and to verify that required documentation has been properly accumulated, approved and filed. Procurement Card activity shall be monitored by the Procurement Department. All cards shall be canceled that have had no activity for twelve (12) continuous months.

In the event of an audit finding, the following actions, depending on the severity of the finding, will be consequences of misuse:

- Surrender of procurement card;
- Privileges revoked;
- Unauthorized or non-business charges on procurement card must be reimbursed to the District by the cardholder;
- Improper or fraudulent use of the procurement card will result in disciplinary action, up to and including prosecution and/or termination of employment.

## **Reasons to Suspend and/or Revoke Procurement Card Privileges**

- Failure to adhere to District policies and procedures;
- Failure to safeguard the procurement card from unauthorized use;
- Use of procurement card for non-district or personal purchases;
- Failure to keep all necessary documentation on procurement card transactions;
- Failure to reconcile monthly charges **by 25<sup>th</sup> of each month.**

## **Consequences of Procurement Card Misuse**

Possible actions against cardholder:

- Surrender procurement card – privileges revoked;
- If Unauthorized or non-business charges are put on procurement card, it is the cardholder's responsibility to reimburse the District or the unauthorized charges may be deducted from employee's pay;
- Improper or fraudulent use of procurement card will result in disciplinary action, up to and including prosecution and/or termination of employment;
- In all cases of fraudulent use of a procurement card, the Superintendent and Chief Financial Officer will be notified of the misconduct involved.

## Restricted Purchases of Procurement Card

- **Alcoholic Beverages**
- **Cash Advances**
- **Contributions/Donations**
- **Controlled Substances/narcotics**
- **Entertainment ( Example-Food at conferences and in-room movies) NO Bounce House rentals, NO Limo ride rentals, NO Game truck rentals, etc.-(These items should be paid for with SAA funds)**
- **Firearms/Ammunition**
- **Food for personal use**
- **Fuel- Personal auto-EXCEPTIONS: Rental car required refueling/Bus refueling for field trips or out of town trips**
- **Mementos**
- **Insurance**
- **Legal Services**
- **Local store purchases that can be purchased via Purchase Order**
- **Membership's – Example: Sam's Club, Amazon Prime / Club charges- Sam's,Amazon, etc.**
- **Payments to Individuals (1099)**
- **Parking Permits**
- **Personal Use purchase of any kind**
- **Phone Cards**
- **Products available through the District Warehouse**
- **Purchases over assigned card limits**
- **Purchases requiring a contract**
- **Radioactive Material**
- **Student Activity fund purchases**
- **Student Payments**
- **Temporary Help**
- **Third party bookings of reservations- Ex: Expedia, Hotels.com, etc.**
- **NO USE OF PERSONAL REWARD POINTS/BONUSES TO SIGN UP FOR: HOTELS, CONFERENCES, nor IN STORE PURCHASES, ETC.**

## Allowed Purchases

- Airfare (when an approved conference requires air travel)
- Rental cars (for approved conference travel)
- Registration, Certificate and Testing fees that require use of a credit card
- Out of country purchases when required( Ex: certain IB program fees)
- **Food purchases for pre-approved Professional Development meetings held in District. (Attach sign in sheet from ALL food purchased meetings)**
- Local small (less than \$500) incidental purchases when a Purchase order cannot be used. (Ex: Walmart, Dollar General, etc.to pick up supplies for meetings, misc. office items, etc.)
- Local small purchases by Operations personnel for immediate repair needs.
- Hotel reservations
- **Gift Cards – Must be from restaurant / fast food –  
Can only use Staff Incentive Acct – 100-233- 410-1000-??**

## Receipt documentation






Receipt documentation must be maintained to support the Internet order: All documentation must be itemized reflecting the individual item and its cost as well as the total cost of the purchase.

- Web sites that present an on-line receipt, reflecting the billing amount and a company logo or name will serve as proper documentation. Simply print the on-screen document.
- Web sites that reflect the billing amount with email confirmation will serve as proper documentation by printing the on-screen receipt and confirming email.
- **Web sites that do not present an on-line receipt or order confirmation cannot be utilized.**

## Security for Purchases through the Internet

All current restrictions to purchasing card use also apply to the use of the card for Internet transactions.

On-line purchases must be made with vendors using a Secure Sockets Layer (SSL) browser session. There are several ways to confirm that a secure area has been accessed. All SSL capable browsers have a symbol to indicate secure mode, but the secure mode may not appear until going further into the web site. Specifically, look for the following:

Browser	Symbol Location	Normal (Insecure) Mode Symbol	Secure Mode Symbol
Netscape 1.2, 2.0, 3.0	Lower Left	Broken Key 	Complete Key 
Netscape Communicator 4.0	Lower Left	Open Lock 	Closed Lock 
Microsoft Internet Explorer	Lower Right	No Symbol Appears	Closed Lock 

Customers must use the same care and common sense in supplier selection as they would with any other purchasing method. The objective should be to balance quality and service with price.



**DARLINGTON COUNTY SCHOOL DISTRICT  
AUTHORIZATION FORM FOR USING PROCUREMENT CARD**

Authorization is given to \_\_\_\_\_ for use of DCSD VISA  
Procurement Card number \_\_\_\_\_ on this date, \_\_\_\_\_; not  
to exceed \$\_\_\_\_\_

By signing this form, I am agreeing to:

- Adhere to purchase limits/restrictions of this Procurement Card, not to exceed \$2,500 per transaction;
- Provide all sales slips and/or register receipts for all purchases for each transaction while using this Procurement Card;
- Provide a detailed itemization of receipt if receipt is not clear as to what has been purchased;
- Provide attendance information (number of people attending, place, date, food provided, etc.) for all transactions involving food.

Cardholder's signature: \_\_\_\_\_

Authorized User's Signature: \_\_\_\_\_

Approved by: \_\_\_\_\_  
Special Revenue Fund Manager

Account Number(s):	Amount:
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
	\$ _____ <b>TOTAL</b> (IF MORE THAN ONE AMOUNT)

Check Number: \_\_\_\_\_ Vendor: \_\_\_\_\_

Post Date (from statement) : \_\_\_\_\_

Purpose:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**USE FOR SCHOOL FUNDS ONLY-ENTERED AT SCHOOL LEVEL**



**DARLINGTON COUNTY SCHOOL DISTRICT  
AUTHORIZATION FORM FOR USING PROCUREMENT CARD**

Authorization is given to \_\_\_\_\_ for use of DCSD VISA  
Procurement Card number \_\_\_\_\_ on this date, \_\_\_\_\_; not  
to exceed \$\_\_\_\_\_

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- Adhere to purchase limits/restrictions of this Procurement Card, not to exceed \$2,500 per transaction;
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- Provide a detailed itemization of receipt if receipt is not clear as to what has been purchased;
- Provide attendance information (number of people attending, place, date, food provided, etc.) for all transactions involving food.

Cardholder's signature: \_\_\_\_\_

Fund Manager Approval /Signature: \_\_\_\_\_  
LILKENYA JENKINS

Authorized User's Signature: \_\_\_\_\_

Account Number(s):	Amount:
LEAVE ACCOUNT NUMBER BLANK	\$ _____
FINANCE WILL CONTACT	\$ _____
ANITA JEFFERY FOR	\$ _____
ACCOUNT NUMBER	\$ _____
	\$ _____ <b>TOTAL</b> (IF MORE THAN ONE AMOUNT)

\_\_\_\_ DATE SENT TO ANITA JEFFERY  
\_\_\_\_ COPY SENT TO ANITA JEFFERY  
\_\_\_\_ APPROVAL EMAIL ATTACHED

Check Number: \_\_\_\_\_ Vendor: \_\_\_\_\_

POST Date (from statement) : \_\_\_\_\_

Purpose: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**USE FOR TITLE I PARENT SET-A-SIDE APPROVED PURCHASES WITH DISTRICT  
MONIES-ENTERED AT DISTRICT LEVEL**



**DARLINGTON COUNTY SCHOOL DISTRICT  
AUTHORIZATION FORM FOR USING PROCUREMENT CARD**

Authorization is given to \_\_\_\_\_ for use of DCSD VISA Procurement Card number \_\_\_\_\_ on this date, \_\_\_\_\_; not to exceed \$\_\_\_\_\_

By signing this form, I am agreeing to:

- Adhere to purchase limits/restrictions of this Procurement Card, not to exceed \$2,500 per transaction;
- Provide all sales slips and/or register receipts for all purchases for each transaction while using this Procurement Card;
- Provide a detailed itemization of receipt if receipt is not clear as to what has been purchased;
- Provide attendance information (number of people attending, place, date, food provided, etc.) for all transactions involving food.

Cardholder's signature: \_\_\_\_\_

Fund Manager Approval / Signature: \_\_\_\_\_  
LILKENYA JENKINS

Authorized User's Signature: \_\_\_\_\_

Account Number(s):	Amount:
_____	\$ _____
_____	\$ _____
	\$ _____ TOTAL

Check Number: \_\_\_\_\_ Vendor: \_\_\_\_\_

Post Date (from statement) : \_\_\_\_\_

Purpose: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**USE FOR TITLE I PARENT SET-A-SIDE APPROVED SCHOOL LOCATION FUNDS  
ENTERED AT SCHOOL LEVEL**