

Purchasing Card Internal Operating Procedures (*P-Card IOP*)



RICHLAND ONE
PROCUREMENT SERVICES

Richland County School District One

Disclaimer: The State P-Card Policy Guideline references the following:

“Counties & Local Political Subdivisions (Group C entities) include cities, counties, school districts, special purpose districts, and other local government entities. Group C entities make payments from their own checking accounts. These entities shall determine supply/service purchases and develop their own purchasing limitations consistent with applicable law.”

Table of Contents	
Program Overview	Page 3
Program Purpose	Page 3
Program Intent	Page 3
Program Stakeholders	Page 3
Eligibility and Acceptance	Page 3
Authorized and Unauthorized Use	Page 4
Temporary or One-Time Use Cards	Page 4
Card Security	Page 4
Spending Limits	Page 4
Single Transaction Limit	Page 4
Terminated Employees	Page 4
P-Card Purchasing	Page 5
Split Transactions	Page 5
Merchant Category Codes (MCCs)	Page 5
Food Purchases	Page 6
Registration/Membership Purchases	Page 6
Travel Purchase Exceptions	Page 6
Fuel Purchases	Page 7
Emergency Purchases	Page 7
Allowable and Prohibited Purchase Examples	Page 7
Determination for Deviation of P-Card Policy and Procedure	Page 8
Internal Controls, Fraud Protection, and Fraud Detection	Page 8
Roles and Responsibilities Overview	Page 9
Monthly Statement Packet	Page 9
Short-Term Absences	Page 9
Long-Term Absences	Page 9
Cardholder Responsibilities	Page 10
Liaison Responsibilities	Page 11
Approver Responsibilities	Page 13
Purchasing Card Administrator Responsibilities	Page 13
Accounts Payable	Page 14
Violations and Penalties	Page 14
Violation Tiers	Page 15
Violation Consequences	Page 15
Forms	Page 16
Resources	Page 16
Questions	Page 16

Purchasing Card (P-Card) Program Internal Operating Procedures

Richland County School District One (RCSD1)

Program Overview

The Richland County School District One (RCSD1) Purchasing Card (P-Card) Program streamlines payment processes by reducing administrative burdens and costs associated with traditional methods of payment.

The program utilizes a VISA purchasing card issued by Bank of America under South Carolina Statewide Contract No. 4400026963. The P-Card simplifies purchasing by allowing authorized employees to buy goods and services directly from approved merchants.

The Procurement Services Department oversees the RCSD1 P-Card Program. Its continued success depends on all participants' compliance, cooperation, and adherence to the established Internal Operating Procedures (IOPs).

These procedures must be reviewed and followed by all program participants.

Program Purpose

The P-Card Program is designed to efficiently manage small-dollar purchases (defined as \$2,500.00 and under for the program). The card is an alternative to traditional purchase orders (POs) with merchants who do not accept POs or checks, or when obtaining POs or checks is unfeasible for Cardholders requiring time-sensitive goods or services.

Program Intent

The P-Card is intended for official District business and educational purposes only.

Authorized employees may use the card to purchase authorized goods or services—by phone, internet, or in person—directly from vendors or suppliers.

Each card has a predefined per-transaction limit and a monthly cumulative spending limit approved by the District's Chief Financial Officer (CFO).

Program Stakeholders

Role	Responsibilities
Richland County School District One (RCSD1)	Arranges with Bank of America to issue P-Cards to approved employees under state contract no. 4400026963 and assumes liability for authorized card use.
Card Issuer – Bank of America (BOA)	Issues P-Cards to approved employees, provides the BOA Works and Payment Center systems, and bills RCSD1 monthly for purchases.
P-Card Administrator (PA)	Assigned by the Director of Procurement Services to oversee daily program operations, provide support, resolve discrepancies, ensure industry best practices, and enforce compliance. May suspend or revoke cards to mitigate financial risk. Monitors reconciliations completed by Liaisons.
Cardholder	Authorized RCSD1 employees approved to make authorized purchases not exceeding their transaction or monthly limits.
Liaison	Employees designated to oversee daily use of their Cardholder's P-Card(s) and ensure transactions are properly documented, allocated, and signed off on.
Approver	Responsible for oversight of their Cardholder's transactions. Determines if purchases are reasonable and in accordance with the IOP.
Financial Services	Ensures timely payment of monthly billing statements.
Merchant	Vendor or company that accepts VISA credit cards as payment.

It is the responsibility of each member associated with the Cardholders' account to ensure compliance with the

procedures set forth here. Failure to comply with the program guidelines may result in permanent termination from the P-Card program, notification of noncompliance to management, and further disciplinary measures that may include termination.

Eligibility and Acceptance

All participants of the program must be full-time RCSD1 employees. Cardholders are employees authorized to make purchase transactions on behalf of the District. Prior to card issuance, the employee requesting a P-Card must complete and submit a P-Card Maintenance Form. The requestor must designate a Liaison and Approver on the form. The completed form must be approved by the employee's supervisor, principal, or department head, as well as the Director of Procurement and the Chief Financial Officer (CFO).

All approved participants are required to complete mandatory P-Card training and sign a Certificate of Acceptance before a card is issued.

Each card will display the Cardholder's name, District name and logo, account number, and expiration date.

Authorized and Unauthorized Use

Violations of this IOP may result in disciplinary action, up to and including termination and criminal prosecution, as applicable. Violation tiers and associated consequences are outlined on pages 15–16 of this document.

P-Card use is restricted to District-related purchases of goods and services within the assigned limits (allowable and prohibited purchases are listed on page 7). Only the individual whose name appears on the card is authorized to use it. All purchases must be shipped to District business addresses. Purchases from open-market sources should be distributed equitably among suppliers. Supervisors or Approvers who knowingly permit unauthorized use are subject to the same disciplinary actions as the Cardholder.

Temporary or One-Time Use Cards

Temporary or one-time-use P-Cards may be issued for specific District-related events (e.g., international travel or annual field studies). Cards are valid only for the approved event period and, unless a Determination for Deviation Form is in place, they must follow the regularly established P-Card IOPs. All documentation supporting these purchases must be submitted for reconciliation. Cards will be deactivated once reconciliations are complete and must be returned to Procurement.

Card Security

Cardholders are responsible for the security and safekeeping of their P-Cards. P-Cards *must* be stored securely when not in use.

Spending Limits

Cardholder spending limits are based on school or departmental needs and must be approved by the CFO.

Single Transaction Limit

The single transaction limit for all P-Card transactions is \$2,500.00 including taxes and all other charges or fees. If the Cardholder needs to exceed the transaction limit of \$2,500.00, a Determination for Deviation Form must be approved *prior* to the transaction.

Terminated Employees

Department Liaisons should immediately retrieve and secure P-Cards from terminated employees. The P-Card Administrator will close the account with Bank of America and ensure proper documentation is completed. The Liaison should notify the P-Card Administrator immediately of any changes in staffing related to their Cardholder's P-Card account.

P-Card Purchasing

The P-Card can be used for small value purchases of supplies and materials that are not otherwise prohibited or restricted. All purchases must comply with the P-Card Internal Operating Procedures (IOP) and the Cardholder's assigned restrictions, including permitted merchant category codes, transaction limits, and monthly spending limits. Certain allowable expenses may require additional approval before they can be purchased (e.g., Registration for PD requires pre-approved RTA). Documentation requirements for P-Card transactions are the same as those required for the standard PO process, in accordance with the R1 Procurement Code.

The P-Card may only be used for individual transactions. All items must be shipped to District addresses and used exclusively for official District purposes. Requests to purchase items or services listed as prohibited must be submitted on a Determination for Deviation Form and approved prior to making the purchase.

To ensure each purchase is charged to the correct budget, every transaction must be assigned a valid budget code. **Allocation** is the process of entering or updating the budget code from which the transaction amount will be deducted.

When practical, each Cardholder's account should be assigned a default budget code which allows certain transactions to be automatically allocated. Departmental Liaisons must verify that this code is appropriate for the type of purchase. If the default code is correct, no change is needed. If the default code is incorrect, the Liaison must update it. If no code is applied automatically, the Liaison must enter it manually. Liaisons perform this allocation in Bank of America WORKS, using the budget code provided by the Cardholder. This ensures that Accounts Payable deducts funds from the proper budget when payments are made.

Split Purchases

A split purchase is splitting a transaction into two or more transactions to bypass the single transaction limit of \$2,500.00. Split transactions are strictly prohibited.

Merchant Category Codes (MCC)

Each vendor is assigned a Merchant Category Code (MCC) in Bank of America, which identifies the type of business or service the merchant provides. MCCs are grouped into six categories, each representing a specific industry or sector. Certain MCC categories are restricted to prevent non-business or inappropriate purchases. The Procurement Administrator (PA) enforces these restrictions through MCC category permission settings in the system. Those settings are determined based on the Cardholder's purchasing trends and are dependent upon their district employee role. There are three permission settings for each category.

- Permitted MCC: Allows transactions for all MCCs that fall into this category
- Prohibited MCC: Blocks transactions for all MCCs that fall into this category
- Permit & Notify MCC: Allows transactions for all MCCs that fall into this category, but the PA receives immediate notification of the transaction

If a transaction is attempted with a merchant that is categorized as prohibited for that Cardholder, the system will decline the purchase. While MCCs function as safeguards, they cannot prevent all unauthorized transactions. Occasionally, allowable merchants may fall under an MCC that is listed as prohibited for that cardholder. The cardholder will need to reach out to the PA to create a unique MCC allowance in BOA to allow for transactions for that specific merchant.

Exceptions: Based on purchasing trends, Cardholders have been classified into permitted, prohibited, or permit & notify MCC tiers. Some MCC restrictions may be adjusted based on employee role and purchasing needs. Occasionally, allowable educational type goods or services may fall under a blocked MCC. When that happens, a Determination for Deviation Form must be completed to justify the transaction. The P-Card Administrator will need to create a unique MCC allowance in Bank of America for the restricted MCC for that Cardholder before the purchase should be attempted.

Food Purchases

Disclaimer: Richland One is classified as Group C; therefore, the District has established its own purchasing limitations for food and restaurant purchases in accordance with District guidelines. Per Financial Services' current food purchasing procedures, approval must be obtained and documented prior to purchase. Meal pricing limits are listed on the Meal Justification Form available on the Procurement Services webpage.

The P-Card may be used to purchase food for District-sponsored professional development activities. Before any transaction, the approved Meal Justification Form must be completed and approved by both the school/department Supervisor and the Executive Team Level Supervisor. The form must clearly document the legitimate purpose of the meal.

All food purchases must comply with the per diem limits outlined in the March 1, 2022, Financial Services Meals for Professional Development Memo. Per diem limits must include all taxes, setup fees, and delivery fees. The P-Card may not be used for tips, service fees, or gratuities.

Light refreshments and snacks are not considered meals and do not require an approved Meal Justification Form. These purchases are allowable on the P-Card for District-related professional development when appropriately justified on the P-Card Transaction Form. Examples include a la carte items such as fruit, muffins, and pastries; prepackaged, nonperishable items such as granola bars, nuts, chips, and crackers; and beverages such as coffee, tea, and juice.

Registration/Membership Purchases

The P-Card may be used to secure registration fees for conferences or professional memberships pertaining to District professional development. *This does not include travel expenses (see exceptions below). The Request to Attend (RTA) should be approved before fees are paid for registration or before any travel expenses are incurred that fall under Travel Purchases Exceptions.*

Travel Purchase Exceptions

The P-Card may not be used for travel expenses, including lodging, transportation, or meals, unless the Cardholder falls under one of the exceptions below. Exceptions are based on specific District roles and responsibilities. All travel purchases should be approved through RTA before payment is made using the P-Card.

- Conference registration fees for an individual or group
- Travel and/or Lodging expenses for Superintendent
- Travel and/or Lodging expenses for Board of School Commissioners
- Travel and/or Lodging expenses for designated HR personnel for District recruitment purposes
 - *HR personnel may be subject to securing job fair booth registrations for recruitment purposes prior to RTA approval. *Job Fair Booth registration is not classified as Travel*
- Travel and/or Lodging expenses for Activity Bus Drivers
 - *Activity Bus Drivers may be subject to securing lodging when field study activities require overnight stay and no prior arrangements were secured by the Administration
- Other travel allowances deemed necessary on an emergency basis and approved in advance by the Chief Financial Officer or designee

All program participants must follow the District's Travel Procedures, as outlined by Financial Services, and AR DJD-R Expense (Travel) Reimbursement policy for all travel and lodging. This includes booking lodging at the lowest available single-occupancy rate.

For any travel purchases made, Cardholders are required to submit the following with their monthly statement packet:

- *Fully approved Request to Attend (RTA) (Fully approved = Budget Services has signed off)*
- *Detailed invoice/receipt of the purchase(s)*
- *If applicable, a conference agenda*

Fuel Purchases

The P-Card may be used to purchase fuel for District activity buses or the Superintendent's District vehicle used for R1 sanctioned activities. It may also be used for approved rental car use in accordance with the Financial Services Travel Procedures.

Emergency Purchases

In the event of an emergency, such as a natural disaster (i.e. pandemic, hurricane, flood, etc.), the P-Card Administrator may request authorization from the Chief Financial Officer (CFO) to temporarily unblock designated MCCs, temporarily raise the transaction limits for specific P-Cards, or both. Requests must be made in writing to the CFO using the Determination for Deviation Form.

Allowable and Prohibited Purchase Examples	
The following is a non-exclusive list of potential goods and services that fall under allowable or prohibited.	
ALLOWABLE	PROHIBITED
Office supplies	Personal purchases of any kind (i.e., purchases intended for non-work-related use or use other than official District business)
Instructional supplies	Split transactions
Maintenance supplies for use by Facilities Management	Cash advances in any form (e.g., ATMs, inside bank branches, cash back, money transfers, cash advances, etc.)
Conference, webinar, or virtual professional development registration **with approved RTA	Gift cards, gift certificates, stored value cards, calling cards, pre-paid cards, or any similar good
Books for instructional purposes; Educational materials for District professional development	Employee travel expenses* (lodging, transportation, meals, etc.) *see travel exemptions section
Food served at District professional development sessions **with approved Meal Justification form	Entertainment (e.g., Streaming services, movies, music, etc.)
Snacks or <u>light</u> refreshments served at District professional development sessions (e.g., Granola bars, coffee, juice, chips, muffins, crackers, etc.)	Any substances outlined in R1 Board Policy as a "drug" (includes alcohol), weapons, or ammunition
Fuel for District-owned vehicles/buses	Professional services (e.g., Consulting services, graphic design or custom imprint services, trade services)
Approved professional memberships related to District business	Equipment valued at over \$100 (e.g., Printers, computers, laptops, tablets, calculators, etc.) Refer to District Fixed Asset Manual for more detail
Supplies for District events (e.g., Tablecloths, name tags, decorations, etc.)	Software of any kind
	Furniture valued at over \$100. Refer to District Fixed Asset Manual for more detail
	Breakroom supplies used for daily use by employees (e.g., food containers, utensils, etc.)
	Appliances (e.g., Microwaves, refrigerators, etc.)
	Purchases from a blocked Merchant Category Code (MCC) *note: Cardholder role determines blocked categories
	Payment of "open" accounts (e.g., Accumulated or outstanding balances with a vendor)
	Tax payments to the State or Department of Revenue
	Personal memberships unrelated to District business
	Hospitality services (to include tips, service fees, etc.)

Determination for Deviation of P-Card Policy and Procedure

If a Cardholder wishes to make a purchase exceeding the \$2,500 Single Transaction Limit (STL), or that falls into a prohibited category, a Determination of Deviation Form must be completed and submitted for approval before the purchase may be made.

The Determination of Deviation Form should be completed by the Cardholder or by the department requesting the use of the District P-Card. Once completed, the form should be sent to the P-Card Administrator for processing. The purchase requiring a deviation should not be made until the P-Card Administrator, Director of Procurement, or CFO indicate the form is fully approved. The form will need to be submitted as a part of the monthly statement packet with the corresponding transaction.

Internal Controls, Fraud Prevention, and Fraud Detection

Internal controls are critical for preventing and detecting fraud. Fraud prevention controls are designed to reduce opportunities for fraud, while fraud detection controls focus on identifying potential issues, patterns, and irregularities.

An annual review will assess the effectiveness of internal controls. The basic principles for a properly designed system of internal controls include:

1. Segregation of duties*
2. Adequate oversight and supervision
3. Safeguarding assets
4. Proper authorization
5. Proper documentation
6. Independent validations

***Segregation of Duties**

Segregation of duties ensures that more than one person is involved in completing a task. This principle is particularly important in the procurement/payment and revenue cycles. In the procurement/payment cycle, no single individual should be responsible for purchasing, approving, receiving, and paying for goods and services. Additionally, the P-Card Administrator should not manage all aspects of the P-Card process. The tasks of purchasing, approving, receiving, and reviewing/reconciling should be performed by different individuals to maintain proper checks and balances.

This section left intentionally blank. IOP continues on next page.

Roles and Responsibilities Overview

The roles and responsibilities outlined below are designed to ensure proper checks and balances, helping to prevent, detect, and mitigate fraud and non-compliant P-Card use. Therefore, it is crucial that each participant fulfills all their assigned responsibilities.

Monthly Statement Packet: Cardholders, Liaisons, and Approvers

Cardholders, Liaisons, and Approvers are responsible for completing and submitting the monthly statement packet to the P-Card Administrator by the **10th of each month**.

Liaisons should retrieve the Cardholder's bank statement through the Bank of America Payment Center Portal (Global Card Access, GCA). Statements are available for review and download beginning on the **28th of each month**. Any purchase disputes or violations must be documented according to procedure and included in the packet.

The monthly statement packet should contain the following documents in this order:

1. P-Card Certification Checklist – signed and dated by the Cardholder, Liaison, and Approver
2. P-Card Bank of America Statement – signed and dated by the Cardholder and Approver
3. Violation Form (if applicable) – with supporting documentation, signed and dated by the Cardholder and Approver
4. Statement of Disputed or Credited Items Form (if applicable)
5. P-Card Transaction Documents – for each transaction:
 - a. P-Card Transaction Coversheet – signed and dated by the Cardholder
 - b. Approved Determination of Deviation Form, if applicable
 - c. Transaction Receipt/Invoice or, if applicable, Lost Receipt Affidavit (available on the P-Card webpage)
 - d. Applicable supporting documentation (approved RTA, Meal Justification Form, DRAPE, etc.)

The Cardholder and Approver must sign and date the bank statement to confirm the accuracy of all transactions. Rubber stamp signatures are not permitted. Acceptable signatures include:

- Original (wet) signature; or
- Certified Adobe Signature* with a visible date and time stamp (encouraged). *When using an Adobe Signature, the audit page must be attached to verify signature validity.*

The complete packet, including all required signatures, dates, and documentation, must be submitted to the P-Card Administrator by the 10th of each month. Physical copies must be single-sided. Submission options include:

- In person
- Interoffice mail
- Adobe Signature routing (encouraged)
- Email (as a scanned copy of the original documents)

Anyone may submit the packet on behalf of the Cardholder. Failure to submit a complete packet by the 10th will result in card suspension effective the 11th of the month. All associated parties share responsibility for ensuring timely submission.

Short-Term Absences

In cases of illness, bereavement, or vacation during the reconciliation period (28th of the month through the 10th of the following month), the statement packet may be submitted up to five (5) business days after the individual returns to work. The P-Card Administrator must be notified by email before the delay to ensure proper documentation of the reason for late submission.

Long-Term Absences

If the return date for any participant is expected to be, or becomes, more than five (5) business days after the 10th deadline, the Cardholder or Liaison must work with the P-Card Administrator to arrange for alternative

review and approval to ensure the statement is processed on time. The Cardholder's Supervisor will need to review the monthly statement packet, sign the statement, and include an explanation as to why the statement had to be processed late.

If a Liaison's absence affects the allocation of transactions in WORKS, the Cardholder will need to work with the P-Card Administrator to ensure the transactions are allocated in WORKS before the 2nd of the month deadline.

Cardholder Responsibilities

Misuse of the card will subject Cardholder to disciplinary action in accordance with RCSD1 policies and procedures relating to disciplinary action and termination for cause.

Training: Cardholders must receive individual training before a P-Card is issued to them. Cardholders are required to attend annual P-Card Training.

The Cardholder must:

1. Ensure the P-Card is used strictly for legitimate District business purchases in accordance with the R1 Procurement Code.
2. Ensure the P-Card is not used for travel, entertainment, cash, or other categories as outlined in the listing of prohibited categories within this document unless prior approval is granted.
3. Ensure any deviations from code or IOP procedures are approved ahead of time via a Determination of Deviation Form.
4. Ensure the P-Card is never used by anyone other than the P-Card Cardholder. Liaisons are never allowed to use the Cardholder's P-Card. If there is a legitimate need for a liaison to have their own P-Card, please submit a new card request using the P-Card Maintenance Request Form.
5. Ensure the P-Card number is never saved for future orders, under any circumstances. Cardholders found saving card numbers on accounts will be subject to immediate card suspension. Cardholders must enter P-Card information for each online order being processed. Receipts for online orders must be sent to either the Cardholder's or Liaison's district email address immediately.
6. Ensure the P-Card is never used with a personal Amazon account. Cardholders must use the District's Amazon Business account when ordering from Amazon. Cardholders may not use the District Amazon Business account for personal purchases, even if they use their personal card. The Cardholder must contact the P-Card Administrator to set up a district Amazon Business account.
7. Ensure items shipped are sent to a District location. Shipping to non-district or personal addresses is strictly prohibited.
8. Ensure the P-Card is always kept in a secure location.
9. Cardholders may designate a staff member to pick up telephone orders made with their P-Card. If anyone other than the Cardholder picks up the order, the Cardholder must ensure the designated staff member verifies receipt of the items via signature on the receipt or invoice itself.
10. Confirm the vendor accepts the District P-Card and request that any surcharges disclosed by the merchant be waived.
11. Adhere to the purchase limits and restrictions of the Purchasing Card and ensure the total transaction amount of any single transaction does not exceed \$2,500.00.
12. Regularly review transactions in WORKS to ensure no fraudulent purchases have been made on their card. Review of transactions should occur no less than once a week to prevent multiple incidences of fraud occurring on the card.
13. Obtain and retain all invoices, receipts, and/or P-Card transaction supporting documents (e.g., RTA, Meal Justification Form, etc.) for each transaction.
14. Reconcile all invoices, receipts, and/or Purchasing Card transaction supporting documents against their Bank of America Cardholder statement at the end of the month. The Liaison is responsible for downloading the statement and sharing it with the Cardholder.
15. Complete the P-Card Transaction Form in its entirety for each individual transaction on the bank statement.

This includes any transactions posting as credits.

16. Complete the P-Card Monthly Certification Checklist, certifying each transaction complies with R1 Procurement Code and P-Card Procedures or is documented accordingly.
17. Provide budget codes to the Liaison for each transaction before the 2nd of the month so they can allocate the transactions within Bank of America WORKS.
18. Provide all P-Card documentation to their Liaison in a timely manner for review and approval. The Liaison will need time to review the documents and send them on for Approver review and approval. All reviews and approvals must be completed before the 10th of the month. The Cardholder should work with the Liaison and Approver to ensure the deadline is met.
19. Attempt to resolve disputes or billing errors directly with the vendor. If the dispute or billing error is not satisfactorily resolved within 3-5 days, notify the P-Card Administrator and send Bank of America the required Dispute Form. Include the Dispute Form and a Statement of Disputed or Credited Items Form with the monthly statement packet.
20. Ensure any credits for disputed items, returns, or billing errors are posted on the subsequent Cardholder statement and that there is a Statement of Disputed or Credited Items Form submitted for any credits to the card or disputed items for that month.
21. Refuse cash, store credit, or a gift card in lieu of a credit to the P-Card account. Any returns or credits must be made back to the P-Card and documented accordingly.
22. Report erroneous or emergency transaction needs to their Liaison during normal business hours.
23. Immediately report a lost or stolen card, or fraudulent card use, to Bank of America at 1-888-449-2273 (24 hours a day, 365 days a year). Notify P-Card Administrator and Liaison at first opportunity during normal business hours of any lost or stolen cards, or fraudulent card use.
24. Notify the Liaison if a vendor does not accept VISA.
25. Notify the P-Card Administrator as soon as possible of any leave or extended leave affecting the P-Card timeline requirements- either their own, or their Liaison's or Approver's if they are aware of the leave. Work with the Cardholder's supervisor and the P-Card Administrator if their Liaison has an extensive absence (more than 4 days after the statement is received).
26. Return the P-Card to the Liaison upon terminating employment with RCSD1 or transferring departments within RCSD1. Notify the P-Card Administrator of said action as soon as possible to ensure proper documentation and that the card account is closed.

Liaison Responsibilities

All Cardholders must have a Liaison. Liaisons can serve in their role for up to five (5) Cardholders, unless otherwise justified and documented by their Executive Leadership and the P-Card Administrator.

Training: Liaisons must receive individual training before a P-Card is issued to their Cardholder. Liaisons are required to attend annual P-Card Training.

Responsibilities of the Liaison include but are not limited to:

1. WORKS: Entering or updating the appropriate, valid budget code(s) for individual transactions made by their Cardholder(s) in advance of the monthly cut-off date established by the P-Card Administrator. This is done in WORKS, and the cut-off date is the 2nd of each month. This process is also called 'allocating.'
2. WORKS: Reviewing individual transactions in WORKS for the correct tax application. If the items are taxable, ensuring the taxes are charged by the vendor. If they were not, indicating in WORKS that use tax will need to be charged, calculating the correct use tax amount, and adding it to the transaction. If they are tax exempt items, ensuring taxes are not charged by the vendor and that the transaction is tagged as tax exempt in WORKS. Use tax should be noted in WORKS and to the P-Card Administrator through the P-Card Transaction Form and Monthly Certification Checklist.
3. WORKS: Signing off on individual transactions made by their Cardholder(s) in advance of the monthly cut-off date. Sign off must occur even if the default budget code successfully applies to the transaction. Signing off on the transaction sweeps the transaction into the P-Card Administrator queue for review and closure. This is crucial to ensure Accounts Payable can make payment in a timely manner.

4. WORKS: Regularly reviewing transactions in WORKS to ensure no fraudulent purchases have been made on their Cardholder's card. Transaction review should occur no less than once a week to prevent multiple incidences of fraud occurring on the card.
5. Global Card Access: Retrieving the monthly statement for their Cardholder(s) at the end of the month. Statements are available for download and review on the 28th of the month from Global Card Access.
6. Reviewing the statement to ensure the amounts for the credits and charges under the transaction section match the credits and purchases amounts under the account summary section of the statement.
7. Preparing the monthly statement packet in accordance with the procedure outlined in the IOP.
8. Reviewing each transaction for the following:
 - a. There is a corresponding P-Card Transaction Form filled out accurately and signed and dated by the Cardholder
 - b. The amount and date on receipt/invoice match Cardholder Bank Statement
 - c. The purchase complies with IOP and Procurement Code
 - d. The purchase is not part of a split purchase
 - e. The delivery address is to a district address, if applicable
 - f. The purchase was not made with a blocked MCC
 - g. The transaction included tax, was tax-exempt, or has use tax included in the total
 - h. Any deviations from the IOP or Procurement Code are approved by a Deviation Form or are documented by a Violation Form
9. Completing the P-Card Monthly Certification Checklist, certifying each transaction complies with R1 Procurement Code and P-Card Procedures or is documented accordingly.
10. Sending the Approver the monthly statement packet for their review and approval.
11. Ensuring all reviews and approvals are completed and the statement is submitted to the P-Card Administrator before the 10th of the month.
12. Assisting Cardholder as needed in preparing Determination of Deviation Forms, Dispute Forms, Violation Forms, Lost Receipt Affidavits, etc.
13. Attempting to resolve disputes or billing errors not resolved by the Cardholder. If unresolved after 3-5 days, work with the P-Card Administrator to resolve the issue. Assisting the Cardholder in preparing and submitting the Dispute Form to Bank of America. Ensuring the Dispute Form is included with the monthly statement packet.
14. Ensuring there is a Statement of Disputed or Credited Items Form included in the statement packet when any disputed items or credits appear on that month's bank statement.
15. Obtaining the following if any charges were incurred on behalf of another department:
 - a. The receipt or proof of purchase documenting the charge
 - b. The budget code to charge, with authorization from that department head to use the code
16. Communicating department head approved default budget code preferences to the P-Card Administrator. This allows budget codes to automatically apply to transactions that meet certain criteria, cutting down on administrative time in allocating. Liaisons may request changes to the default budget code as needed based on spending trends. Even if the default budget code successfully applies to the transaction, Liaisons still must "sign off" on the transaction so it sweeps into the P-Card Administrator queue for review.
17. Assisting the Cardholder with erroneous declines or emergency transactions by communicating with the P-Card Administrator.
18. Notifying and working with the P-Card Administrator when their Cardholder requests Bank of America set up a vendor to accept VISA.
19. Notifying P-Card Administrator of any suspected fraud or a lost or stolen card.
20. Notifying P-Card Administrator if a Cardholder card needs to be cancelled due to terminated employees, transferring departments, request of the department head, etc. Collecting cancelled card(s) from their Cardholder(s) and forwarding them to the P-Card Administrator.
21. Retaining all Cardholder P-Card records for a minimum of three (3) years from the end of the fiscal year in which the last transaction was completed and/or a program evaluation has been completed by the Auditor. Records include but are not limited to bank statements, receipts, justifications, checklists, etc. These records

must be available to the District Internal Auditor upon request.

22. Notifying the P-Card Administrator as soon as possible of any leave or extended leave affecting the P-Card timeline requirements.

Approver Responsibilities

All Cardholders must have an Approver. Approvers can serve in their role for up to five (5) Cardholders, unless otherwise justified and documented by their Executive Leadership and the P-Card Administrator.

Training: Approvers must receive individual training before a P-Card is issued to their Cardholder. Approvers are required to attend annual P-Card Training, which can be in person or online.

Responsibilities of the Approver include but are not limited to:

1. Reviewing the monthly statement packet to ensure:
 - a. Each transaction complies with P-Card Procedures and R1 Procurement Code
 - b. Each transaction has an invoice/receipt, a P-Card Transaction Form, and any additional forms as required
 - c. Sales or use tax is applied to each transaction, if applicable
 - d. Each purchase was for legitimate District business use
 - e. Any violations are documented and signed by Cardholder and Approver
 - f. Packet documents have either original signatures or Adobe Certified Signatures
 - g. Bank statement transactions match receipts/invoices in the packet
2. Signing and dating the bank statement
3. Completing the P-Card Monthly Certification Checklist, certifying each transaction complies with R1 Procurement Code and P-Card Procedures or is documented accordingly
4. Collaborating with the Cardholder or Liaison to ensure the statement is submitted to the P-Card Administrator before the 10th of the month

Purchasing Card Administrator Responsibilities

The Procurement Services Department will assign a Purchasing Card Administrator to be responsible for the overall Purchasing Card program.

P-Card Administrator: Peyton Flewelling

Contact Information: peyton.flewelling@richlandone.org

Phone Number: 803-231-7039

Responsibilities of the Purchasing Card Administrator include but are not limited to:

1. Serving as the RCSD1 liaison with Bank of America.
2. Utilizing the Bank of America WORKS and Global Card Access portals.
3. Reviewing new P-Card application requests to ensure all required information is provided. Processing P-Card application requests.
4. Requesting new P-Cards from Bank of America via WORKS, setting up new accounts for the Cardholder, Liaison, and Approver (if not already in the system).
5. Receiving new Purchasing Cards from Bank of America and collaborating with Cardholder to set up the new card.
6. Training Cardholders, Liaisons, and Approvers before releasing a Purchasing Card to the new Cardholder.
7. Having Cardholders, Liaisons, and Approvers sign their respective agreements, signifying their agreement to comply with the terms of the Purchasing Card program.
8. Conducting mandatory annual training for all Cardholders, Liaisons, and Approvers for their recertification training. Updating the training annually.
9. Managing disputed charges/discrepancies not resolved by Cardholders or Liaisons.
10. Assisting Cardholders or Liaisons with erroneous declines or emergency transactions.
11. Ensuring that lost or stolen cards have been blocked by Bank of America.

12. Ensuring default budget codes are associated with each Cardholder account.
13. Initiating change of default budget codes upon request of Liaisons as approved by their Department Head.
14. Establishing and notifying Cardholders and Liaisons of the monthly cut-off date for approvals (10th of the month).
15. Regularly reviewing transactions in WORKS throughout the billing cycle for compliance and suspicion of fraud.
16. Reconciling (allocating and closing) all transactions posted in WORKS at the end of the billing cycle.
17. Redacting the R1 monthly account summary at the end of the month and submitting it to Financial Services for the R1 Expenditure Transparency reporting.
18. Reviewing the R1 monthly account summary at the end of the month and submitting to Accounting for payment.
19. Reviewing monthly statement packets for compliance and congruency with the WORKS and GCA systems.
20. Deactivating Cardholder cards on the 11th of the month when statements have not been submitted for review to the P-Card Administrator by the 10th of the month.
21. Preparing a Purchasing Card Statement of Certification Form for each monthly statement, certifying completeness and compliance of transactions.
22. Maintaining a list of active and deactivated cards.
23. Rendering cards suspended or inactive upon notice of Cardholder being out of office.
24. Securing revoked Purchasing Cards and deactivating accounts in the BOA WORKS and Global Card Access systems.
25. Tracking deactivated cards via a reporting spreadsheet.
26. Auditing and publishing a monthly report of usage to include but not be limited to compliance with P-Card procedures, compliance with RCSD1 regulations, sales and use tax, transactions per card, amount per transaction, and number of active and inactive cards per school or department.

Accounts Payable

The monthly P-Card summary statement payment will be paid by Accounts Payable in accordance with Bank of America instructions either by check or ACH.

Within 5 days of receipt of the Bank of America bill, the payment process will begin so the payment can reach Bank of America no later than 25 calendar days after the close of the billing cycle of the previous month.

Violations and Penalties

It is the responsibility of each Cardholder to ensure the P-Card is used within the stated guidelines. Guidelines consist of the RCSD1 Procurement Code and P-Card Internal Operating Procedures. If a Cardholder, Liaison, or Approving official becomes aware of a violation during the reconciliation or statement review process, it is the responsibility of that person to document the issue in accordance with written guidelines and to report it to the Purchasing Card Administrator immediately.

RCSD1 reserves the right to investigate and document any incidents that result in a failure to comply with the P-Card Procedures. Possible results of that investigation may include suspension or revocation of P-Card privileges. Cardholders will be subject to reimbursing RCSD1 for any fraudulent or unauthorized purchases.

Violations will be reviewed for possible criminal conduct and, if warranted, referred to law enforcement for investigation and prosecution (e.g., Breach of Trust with Fraudulent Intent, Embezzlement of Public Funds). Presumption is on proof of failure to account for receipts.

The P-Card Administrator will monitor purchases and issue warnings or violations where applicable. The Director of Procurement and/or the Chief Financial Officer reserve the right to terminate any Cardholder's privileges due to non-compliance at any given time due to a violation.

Penalties will be categorized as a warning, a minor violation, or a major violation. Violations are based on four (4) tiers.

Violation Tiers		
*This list is not all inclusive		
Tier 1 – Warning	Tier 2 – Minor Violation	Tier 3 – Major Violation
Failure to sign or date the bank statement	Failure to provide proper documentation for transactions (e.g., Does not have an approved Meal Justification Form before purchasing meals, etc.)	Using the P-Card for a personal purchase
Failure to complete, sign, or date the Monthly Certification Checklist	Failure to allocate transactions in WORKS by the deadline (2nd of the month)	Failure to follow restrictions and limitations of the P-Card (e.g., Split Transaction, exceeding the Single Transaction Limit, etc.)
Submitting incomplete support or justification of the purchase (e.g., forgot to include the required forms, Transaction Form does not explain what you bought or why, etc.)	Purchasing items/services listed as prohibited without an approved Deviation Form *Some purchases may qualify as a Tier 3 or Tier 4 violation	Accepting cash, gift card, or store credit in lieu of credit back to the P-Card
Delivery of goods to a non-District address (first offense)	Buying fuel for non-district approved vehicles	Failure to secure the P-Card while not in use
	Paying an invoice with the P-Card	Failure to report lost or stolen P-Card
	Accepting free personal gifts with purchase	Purchasing items/services listed as prohibited without an approved Deviation Form *Some purchases may qualify as a Tier 2 or Tier 4 violation
	Delivery of goods to non-District address (second offense)	
Tier 4 – Termination of Card and Program Participation The third cumulative offense violation will result in the immediate termination of the Cardholder in P-Card Program, and their card will be revoked. The cumulative nature of the violations spans across all tiers (i.e., three Tier 1 violations still result in reaching Tier 4).		

Violation Consequences		
Tier 1 – Warning	Tier 2 – Minor Violation	Tier 3 – Major Violation
An email notification will be sent to the Cardholder, Liaison, and Approver.	The card will be suspended immediately and will be subject to suspension for up to 20 days or revoking due to non-compliance.	The card will be suspended immediately for 30 days and is subject to revoking due to non-compliance.
A Violation Form must be filled out and submitted to the P-Card Administrator within ten business days of the email notification, or the card is subject to suspension.	An email notification will be sent to the Cardholder, Liaison, and Approver.	An email notification will be sent to the Cardholder, Liaison, Approver, Cardholder's immediate supervisor, and executive level supervisor.
The violation will be documented in the Violation Log.	The violation will apply to all parties applicable to include, but not be limited to, Cardholder, Liaison, and/or Approver.	The violation will apply to all parties applicable to include, but not be limited to, Cardholder, Liaison, and/or Approver.

	<p>The Cardholder will prepare a Violation Form detailing:</p> <ul style="list-style-type: none"> • A description of the item(s)/service(s) purchased • the date of expenditure • the vendor/supplier's name • the amount of expenditure • an explanation of violation <p>The form must be sent to the P-Card Administrator with signature acknowledgement.</p>	<p>The P-Card Administrator will prepare a Violation Form detailing:</p> <ul style="list-style-type: none"> • A description of the item(s)/service(s) purchased • the date of expenditure • the vendor/supplier's name • the amount of expenditure • an explanation of violation <p>The form will be sent to the Cardholder, Liaison, Approver, Cardholder's immediate supervisor, and executive level supervisor.</p>
	<p>To ensure understanding of policy and procedures, the Cardholder, Liaison, and Approver must complete MANDATORY P-Card refresher training within ten business days of the notification of violation. This training must be completed by all parties before the card can be restored as active.</p>	<p>To ensure understanding of policy and procedures, the Cardholder, Liaison, and Approver must complete MANDATORY P-Card refresher training within ten business days of the notification of violation. This training must be completed by all parties before the card can be restored as active.</p>
	<p>The Cardholder must pass a P-Card exam and receive 80% or higher before card privileges can be restored.</p>	<p>The Cardholder must pass a P-Card exam and receive 90% or higher before card privileges can be restored.</p>
	<p>The violation will be documented in the Violation Log.</p>	<p>The violation will be documented in the Violation Log and personnel file.</p>
<p>Tier 4 - Termination of Card and Program Participation</p> <p>The third cumulative offense violation will result in the immediate termination of the Cardholder in P-Card Program, and their card will be revoked due to non-compliance.</p>		

The subject penalties may be superseded by the Administration of Richland County School District One at any given time if deemed necessary according to the violation.

Cardholders or Supervisors/Approving officials who knowingly, or through willful neglect, fail to comply with the RCSD1 Procurement Code or P-Card Internal Operating Procedures may be subject to suspension or termination of card privileges or other disciplinary action, up to and including termination of employment and criminal prosecution to the fullest extent of the law.

Forms

A list of all forms can be found on the Procurement website under "Purchasing Card Program."

Resources

There are a number of resources available on the Procurement website to assist you. Please refer to the webpage for more information including illustrated step-by-step guides, frequently asked questions, training PowerPoints, and filled out examples of forms.

Questions

Please reach out to the Purchasing Card Administrator with any questions.