PURCHASING CARD PROGRAM

JORDAN
SCHOOL DISTRICT

POLICIES AND PROCEDURES MANUAL

Overview

The purpose of the Purchasing Card (P-Card) is to establish a more efficient, cost-effective method of purchasing and payment for small-dollar transactions. The P-Card is designed to replace a variety of processes including petty cash, NPOs, and certain open purchase orders.

All cards are issued at the request of your director, supervisor or principal and only certain positions are eligible to receive one. Card usage may be audited and/or rescinded at any time. **You are the only person entitled to use your card!**

This manual provides the guidelines with which you may utilize your P-Card, so please read it carefully. Your signature on the enclosed Cardholder Agreement indicates that you understand the intent of the P-Card and that you agree to adhere to the guidelines established for the P-Card. You will receive your P-Card after receipt of the signed P-Card Account Application/Agreement and after completing a mandatory online training session sent to you by the P-Card Technician. You may begin using it immediately upon activation. As you use the card, please contact your supervisor or one of the P-Card Support Contacts if you have questions on what should be purchased using the card.

Record keeping will be essential to ensure the success of this program. This is not an extraordinary requirement - standard reimbursement policies require retention of receipts, etc. As with any charge card, you must retain receipts for your protection.

Finally, remember you are utilizing district funds each time the P-Card is used.This cannot be taken lightly.

Support Contacts

District

Purchasing Card Administrator
Kurt Prusse
Director of Purchasing
Tel: 801-567-8710
Email: kurt.prusse@jordandistrict.org

Purchasing Card Accounting Administrator
Dan Ellis
Director of Accounting
Tel: 801-567-8389
Email: daniel.ellis@jordandistrict.org

Purchasing Card Technician
Kris Wishart
Tel: 801-567-8708
Email: kris.wishart@jordandistrict.org

Purchasing Card Payment Clerk
Kaylei Jones
Tel: 801-567-8266
Email: kaylei.jones@jordandistrict.org

U.S. Bank Customer Service

The customer service line is available 24 hours a day, 7 days a week @ **1-800-344-5696.**

To obtain a card

You must read the P-Card Policy and Procedures manual and complete the online P-Card training in its entirety to receive your P-Card. This section provides a variety of information about the process, the types of purchases that can and cannot be made, who will accept the card, records that must be maintained and reconciled monthly, plus miscellaneous information about the P-Card.

After you read this and understand the procedures outlined, complete a P-Card Application. Read carefully and sign the Cardholder Agreement Form on the backside of the application form. Your supervisor must indicate approval by signing the form. All requests will be processed through the P-Card Administrator.

When you receive your card, sign the back of the card and always keep it in a secure place. Although the card is issued in your name, it is the property of the district and is only to be used for proper district purchases as defined in this document.

General information

- The P-Card helps to eliminate the use of petty cash, NPOs, small dollar purchase orders, some open purchase orders, and M-book purchases.
- The P-Card is NOT intended to avoid or bypass appropriate purchasing, warehouse, or payment procedures. Rather, the P-Card complements the existing processes available.
- The P-Card is not intended to replace the current travel and entertainment policy or procedures.
- **The P-Card is not to be used for personal use**.
- The P-Card can be used for in-store purchases, internet, telephone, and faxed orders.
- The P-Card may be used for payment with all vendors who accept the Visa credit card throughout the world.
- You are responsible for the security of your card and the transactions made on it. The card is issued in your name and it will be assumed that any purchase made with the card will have been made by you. Failure to comply with the guidelines established for this P-Card program may result in severe consequences, up to and including termination of employment.

Examples of when the P-Card may be used:

- Subscriptions, seminar fees, books, DVD's.
- Office supplies and products **not** available in the warehouse.
- Classroom supplies, products, and manipulatives **not** available in the warehouse.
- Maintenance, repair, and operations products.
- Postage
- Internet sites, state contracts, and counter sales.

Examples of when the P-Card may not be used:

- Any item exceeding $4,999.99 in value.
- Any merchant, product, or service normally considered to be inappropriate use of district funds.
- Capital equipment or fixed assets.
- Air travel, hotel reservations, and entertainment.
- Stock items available through district warehouses or through approved ordering systems.
- Fuel purchases for personal vehicles.
- Software that has not been approved for Student Data Privacy. (Check Data Privacy on Evaluation, Research and Accountability's website)
- Splitting transactions; this is knowingly dividing a single purchase into multiple smaller purchases to avoid exceeding the single purchase limit of $5000. This is in violation of Utah Procurement Code 63G-6a-506 Subsection (8)(a).

Some built-in restrictions

Each card has a single purchase limit of $4,999.99 and the monthly credit limit will be set by the cardholder's supervisor. Each vendor is assigned a Merchant Category Code (MCC) that is a general categorization of their type of business as part of authorization for using credit cards.

Some vendor's MCCs have been "blocked" by the District automatically from usage of the P-Card. If you present your card to any of these vendors, the transaction will be declined. It is likely that any vendor you currently utilize as a source for products or services will accept your card. If you are declined and feel the decline should not have occurred, call the P-Card Technician or the 800 number on your card. Customer Service will determine if you were declined because of merchant blocking, exceeding the monthly credit limit or single-purchase limit imposed on your card. You may also use your on-line access to verify any activity associated with your account.

Monthly Reconciliation Dates

After each billing cycle that you used your card, it is important that you adhere to the deadlines given below. By doing this, you allow the program to maintain its efficiency. If the cycle end date falls on a weekend or a holiday, the cycle will end at the close of the next business day.

6th of the Month	Cycle ends at the close of business, unless the 6th falls on a holiday or a weekend.
7th of the Month	New cycle begins Monthly Cardholder Statements available online Begin reconciliation process
19th of the Month or the earliest business day before	Deadline for reconciliation paperwork to be signed and turned into the Accounting Department. If submitted without signatures Accounting will send statement back to cardholder to obtain signatures.

Receipt Retention

You must obtain an itemized receipt for every purchase you make on your card. If you make a purchase via telephone or mail, it is the responsibility of the cardholder to obtain a receipt. For internet orders, print the receipt you receive from the company. This is known as order confirmation and is often received via an email or can be printed from the "Order" or "Account" section of the vendor web page. This receipt is the only original documentation specifying whether or not sales tax has been paid against the purchase.

Lost Receipts

It is the sole responsibility of the cardholder to acquire, retain and submit original receipts. It is necessary back up for the Accounting Department to show proper payment has been applied for valid and appropriate charges. Without original receipts, the Accounting Department does not have proof that a transaction has been made. Therefore, missing receipts must be properly documented and signed by the cardholder and the supervisor.

If a receipt is lost, the cardholder has the responsibility to contact the vendor for a replacement copy. If a copy cannot be obtained, please fill out the "Missing Receipt Form" included at the end of this packet, and is available on the Purchasing Department web page under the Helpful Links/P-Cards.

Monthly Cycle Submittal Requirements

In cycles that you utilize your card the following items **are due to the Accounting Department by the 19th** of the month following the cycle close date:

- US Bank Transaction List - This should be signed by the cardholder, and their supervisor with all transactions reviewed, reallocated to the appropriate account code if not the default account code and a description of what was purchased.
  (See pages 8 – 14 for tutorial)

- Original Receipts - A sales tax free, itemized receipt for every transaction is required. **Copies of receipts are not acceptable**. Please use the same instructions for submitting original receipts as in the NPO submittal process. Failure to attach receipts properly will delay the payment process and late fees may be billed to your default account code. Packing slips, order confirmations and such are not acceptable as receipts.

Failure to comply with the monthly cycle submittal requirements will result in the suspension and ultimate removal of your purchasing card privilege, if the failure is found to be repetitive. Note: If you do not have any activity for a cycle, nothing needs to be submitted to Accounting for that month.

Payment

The US Bank P-Card carries corporate, not individual liability. The Accounting Department will pay invoices and you will not be required to pay your Monthly Cardholder Statement using personal funds. The P-Card does not impact your personal credit rating in any way.

If your records don't agree with your statement

There may be occasions when items on your statement do not correlate with the entries in your cardholder activity list or your retained receipts; i.e., you may not have made the transaction, the amount of the transaction is incorrect, or you may have a quality or service issue.

Your first recourse is to contact the vendor involved to try to resolve the error. If the vendor agrees that an error has been made, they must credit your account. Highlight the transaction in question on your statement as a reminder that the item is still pending resolution. If the vendor does not agree that an error has been made, you can dispute the transaction on the U.S. Bank Access Online web portal or call Customer Service.

Any transaction you wish to dispute must be identified in writing within 60 days of the statement date. U.S. Bank will then resolve disputes within 90 days.

You are responsible for the transactions identified on your statement. If an audit is conducted on your account, you must be able to produce receipts or proof that the transaction occurred. If an error is discovered, you are responsible for showing that the error or dispute resolution process was completed.

Fraud

Unfortunately, fraud is an ever-increasing occurrence with P-Cards. Please watch your Monthly Cardholder Statement for transactions that you have not made. If such transactions are found, immediately call U.S. Bank Customer Service at 1-800-523-9078. Unauthorized or fraudulent charges on the P-Card will not be the responsibility ofthe cardholder or the District if proper reporting procedure is followed.

Lost or stolen cards

The P-Card is Jordan School District property and should be secured just as you would secure your own personal credit cards. If your card is lost or stolen, notify the P-Card Administrator, and contact U.S. Bank Customer Service immediately!

Upon receipt of your call, further use of the card will be blocked. Prompt action in these circumstances can reduce the district's liability for fraudulent charges.

Sales and use tax

Vendors will typically exclude Utah sales tax to the District at the time of purchase when the cardholder states that the purchase is for educational purposes and is tax exempt when purchasing in the state of Utah. Each cardholder is responsible for the sales tax being paid by the District. Please check each receipt to verify that the vendor has not charged Utah sales tax. For your convenience, Jordan School District’s Utah sales tax id number is embossed on the P-Card.

You may be charged sales tax when you assume you should not be. We realize there may be an insignificant number of cases where sales tax will be paid unnecessarily. Should you have additional questions regarding whether or not sales tax should be paid, please contact one of the P-Card Support contacts for assistance.

Vendors who do not accept the card

Anyone from whom you currently purchase goods or services should be considered a potential vendor using the P-Card – even if they don't currently accept Visa. The P-Card is not restricted to retail vendors only. Although we do not endorse Visa or any of its associated banks specifically, we encourage vendors to accept the P-Card so that cardholders can use it most effectively. Vendors may contact their local bank or financial institution to become Visa capable.

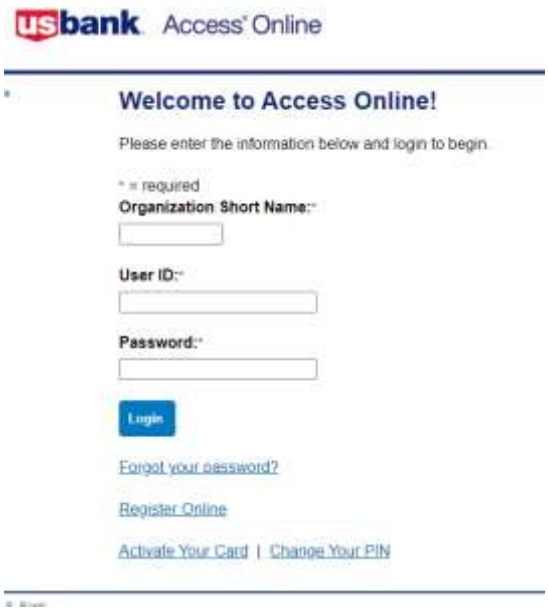
This is considered a credit card, so if a vendor **only** accepts debit card transactions, the P-Card will not be accepted.

Summary

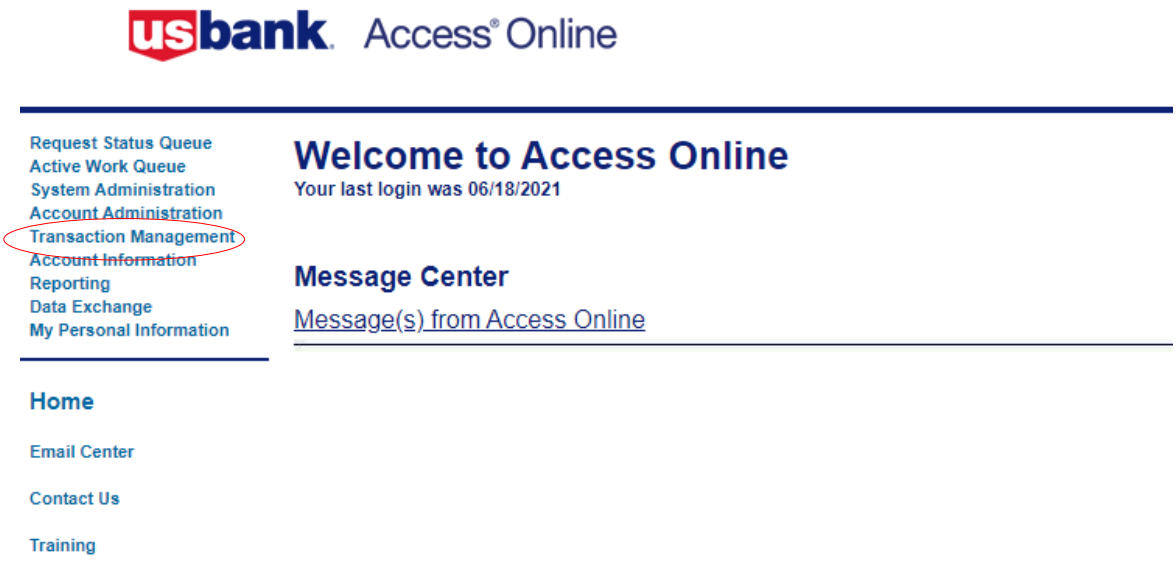
- Please indicate to vendors that you do not wish to be invoiced, as an invoice could result in duplicate payment. An itemized copy of the sales receipt is the only documentation the district requires.
- The P-Card is designed to be simple and easy to use, providing you with the materials needed to perform your job more quickly and efficiently. However, appropriate controls must also be maintained to ensure the ongoing success of the P-Card program.
- We ask you to exercise good judgment and act responsibly when using your P-Card. The P-Card is issued in your name, and all activity will be assumed to have been incurred by you. We ask you to maintain your Cardholder Transaction Activity Statement accurately and always retain your itemized receipts!
- In addition, random audits may be conducted for proper P-Card activity, retention of receipts, as well as on your Cardholder Transaction Activity Statement. Consequences of insufficient documentation, late submission of reconciliation paperwork, or improper use, or splitting purchases can range from suspension of your P-Card privilege to termination of employment.
- We as a district strive to improve the way we conduct business. Your use of this P-Card in conducting your daily business can help Jordan School District make significant change in eliminating a variety of manual transactions. If you have any questions about the P-Card or need additional information, please contact the P-Card Administrators.

P-Card US Bank Monthly Cardholder Activity Submission Steps

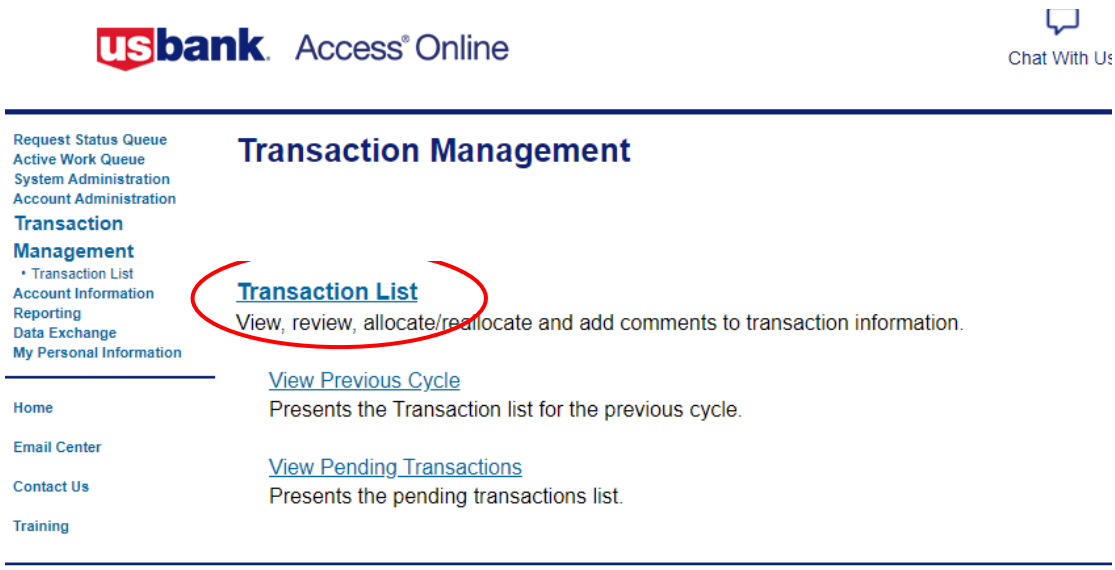
From a web browser, go to https://access.usbank.com. Enter the Organization Short Nameas **jsd**. Enter your **user id** and **password**, and select **login**.



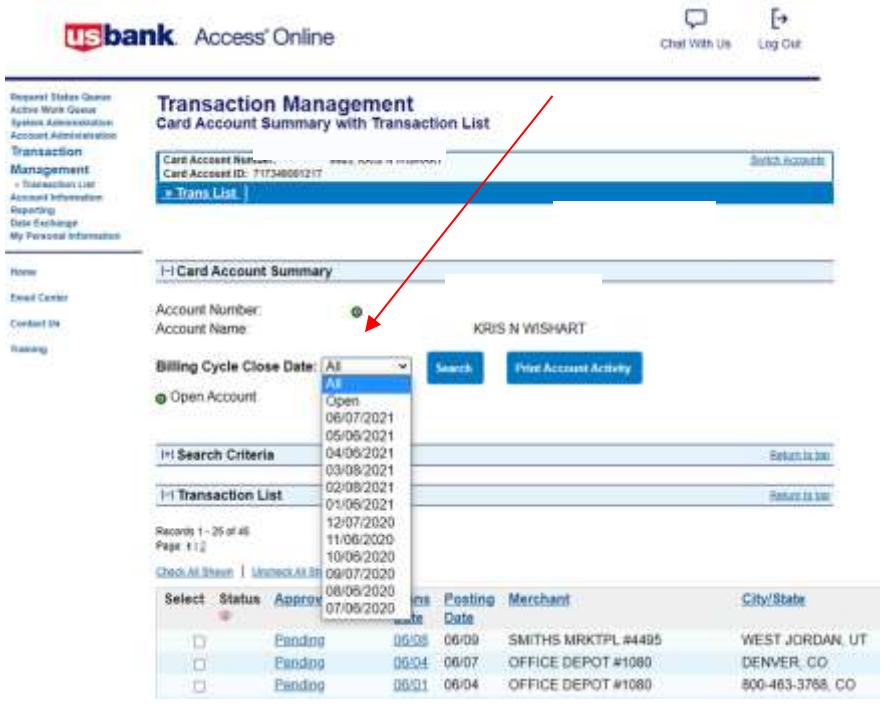
The following screen will appear. Select **Transaction Management**.



Select **Transaction List** to go between previous cycle transactions and open current cycle transactions. Select **View Previous Cycle** to work with transactions purchased before the 6th of the latest month. If you plan on only going into the system once a month, after the cycle close date of the 6th, selecting "View Previous Cycle" will be easier. If you plan on going into the system regularly and updating your information, selecting "View Pending Transactions" will be easier.

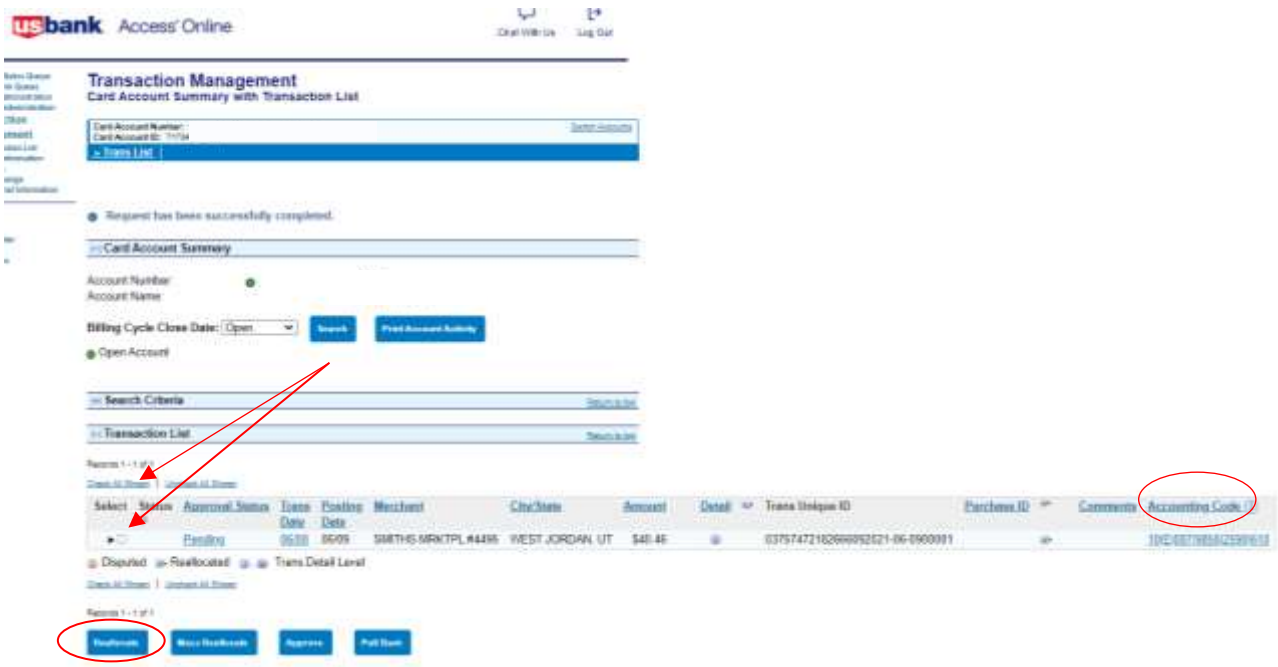


Once within a transaction list you can select different billing cycle close dates here. However, after the 20th of each month, the ability to change data for the closed billing cycle is locked. You can view previous months but you are not able to change the data. <u>Accounting codes that need to be changed after a billing cycle is locked will have to be done by a journal entry.</u>

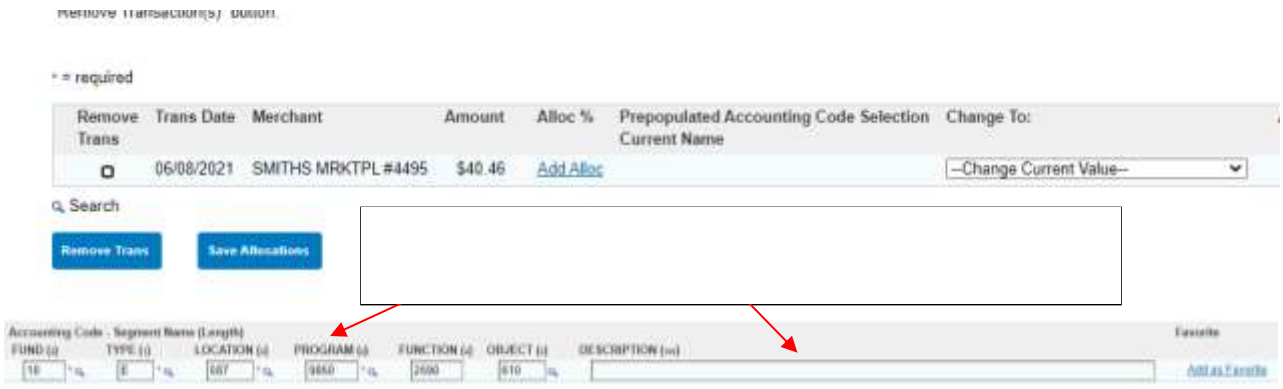


On the far right of each transaction is the default accounting code assigned to you. You can either select each transaction one at a time or choose **Check All Shown** to do all transactions at once. Each transaction must be selected, either individually or collectively, even if the default account code is correct, in order to enter a description for each item purchased.

Once the "Check All Shown" option is selected, checks should appear in each box to the leftof each transaction. Select **Reallocate** to change account codes and enter descriptions of what was purchased on each transaction.

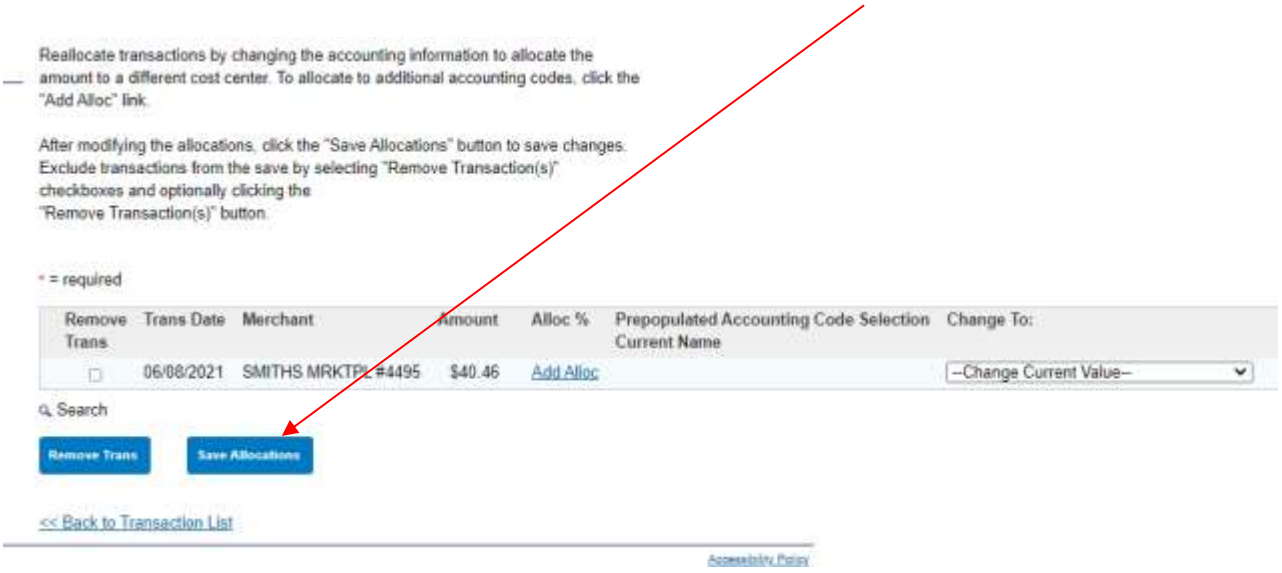


Change account codes as necessary and enter descriptions of what was purchased on each transaction. Account codes should be entered into the corresponding boxes and the descriptions should be as complete as possible to avoid questions about what was purchased by supervisors, Accounting, and public records requests.

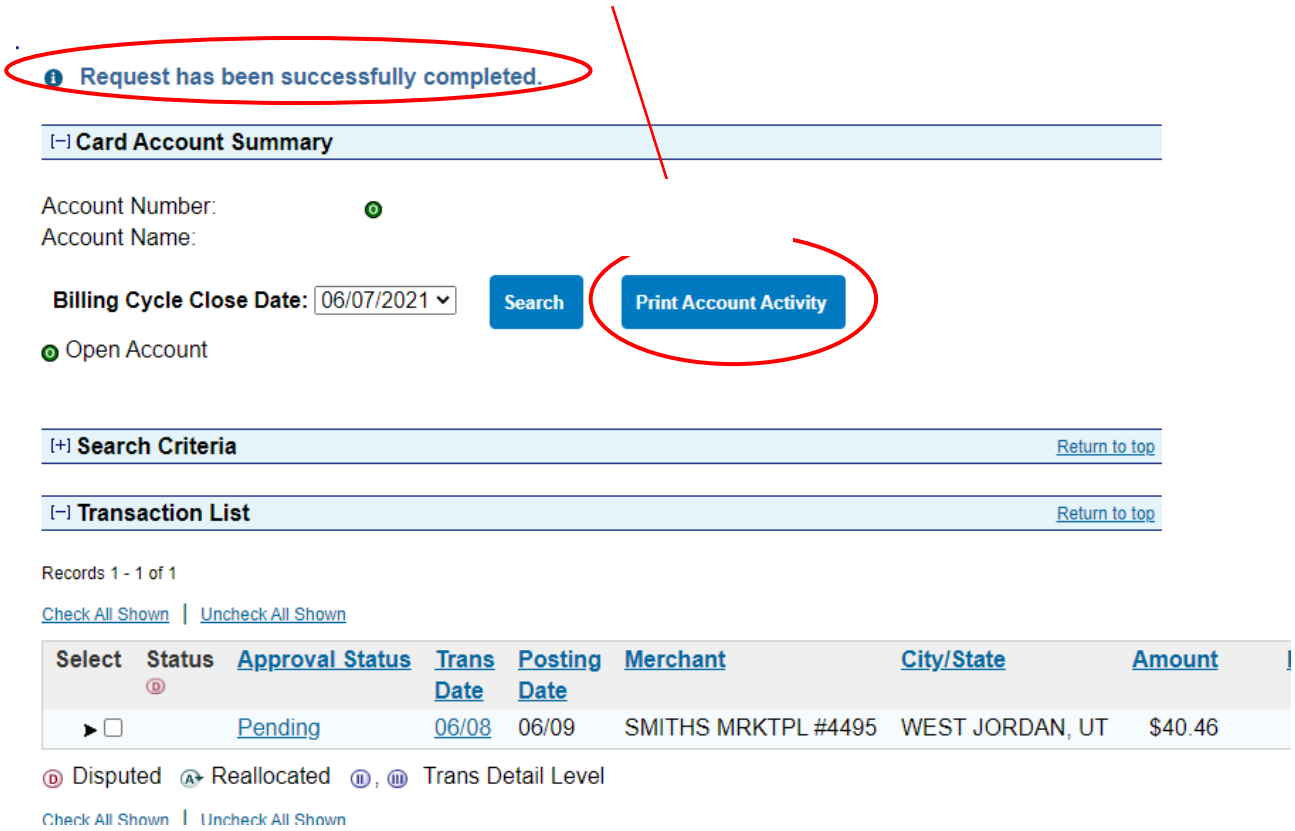


(This is the full screen cut in two

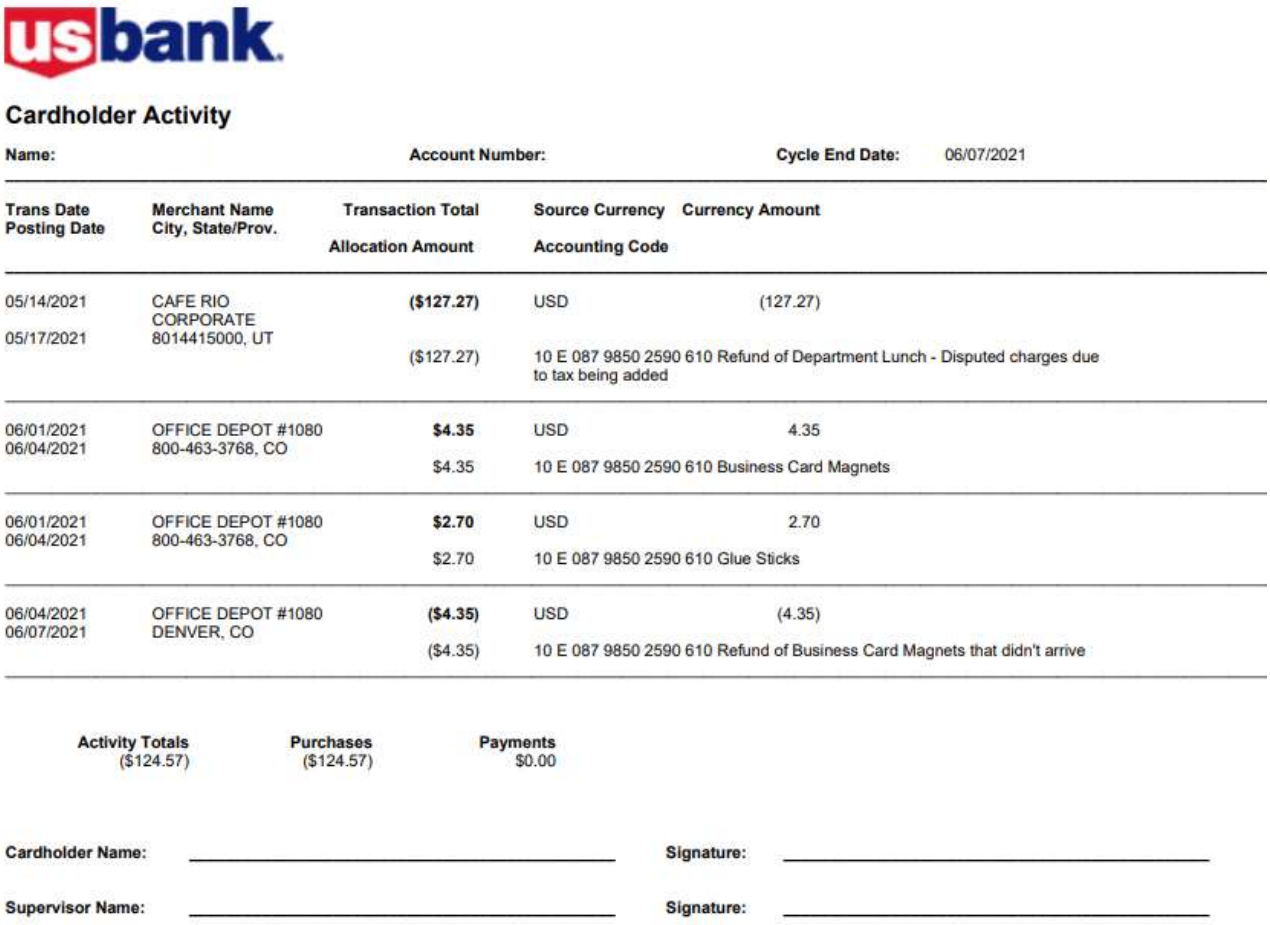
Once all account codes and descriptions are entered, select **Save Allocations**.



The screen will show "Request has been successfully completed." The Transaction List will remove all spaces in the account code and the descriptions to save space. (The spaces are still in the system and will show on the paper and electronic reports.) If everything appears correct, select **Print Account Activity**.



Print Account Activity, sign it and then have your supervisor sign it, please remember the cycle end date should have a date and not say open, and submit this report to Accounting by the 19th of each month. Please submit as early as possible so Accounting does not get overwhelmed on the 19th. Remember that the system does not allow data changes after the 20th of the month.



Cardholder Activity

Name: **Account Number:** **Cycle End Date:** 06/07/2021

Trans Date / Posting Date	Merchant Name / City, State/Prov.	Transaction Total / Allocation Amount	Source Currency / Accounting Code	Currency Amount
05/14/2021 05/17/2021	CAFE RIO CORPORATE 8014415000, UT	**($127.27)** ($127.27)	USD 10 E 087 9850 2590 610 Refund of Department Lunch - Disputed charges due to tax being added	(127.27)
06/01/2021 06/04/2021	OFFICE DEPOT #1080 800-463-3768, CO	**$4.35** $4.35	USD 10 E 087 9850 2590 610 Business Card Magnets	4.35
06/01/2021 06/04/2021	OFFICE DEPOT #1080 800-463-3768, CO	**$2.70** $2.70	USD 10 E 087 9850 2590 610 Glue Sticks	2.70
06/04/2021 06/07/2021	OFFICE DEPOT #1080 DENVER, CO	**($4.35)** ($4.35)	USD 10 E 087 9850 2590 610 Refund of Business Card Magnets that didn't arrive	(4.35)

Activity Totals	Purchases	Payments
($124.57)	($124.57)	$0.00

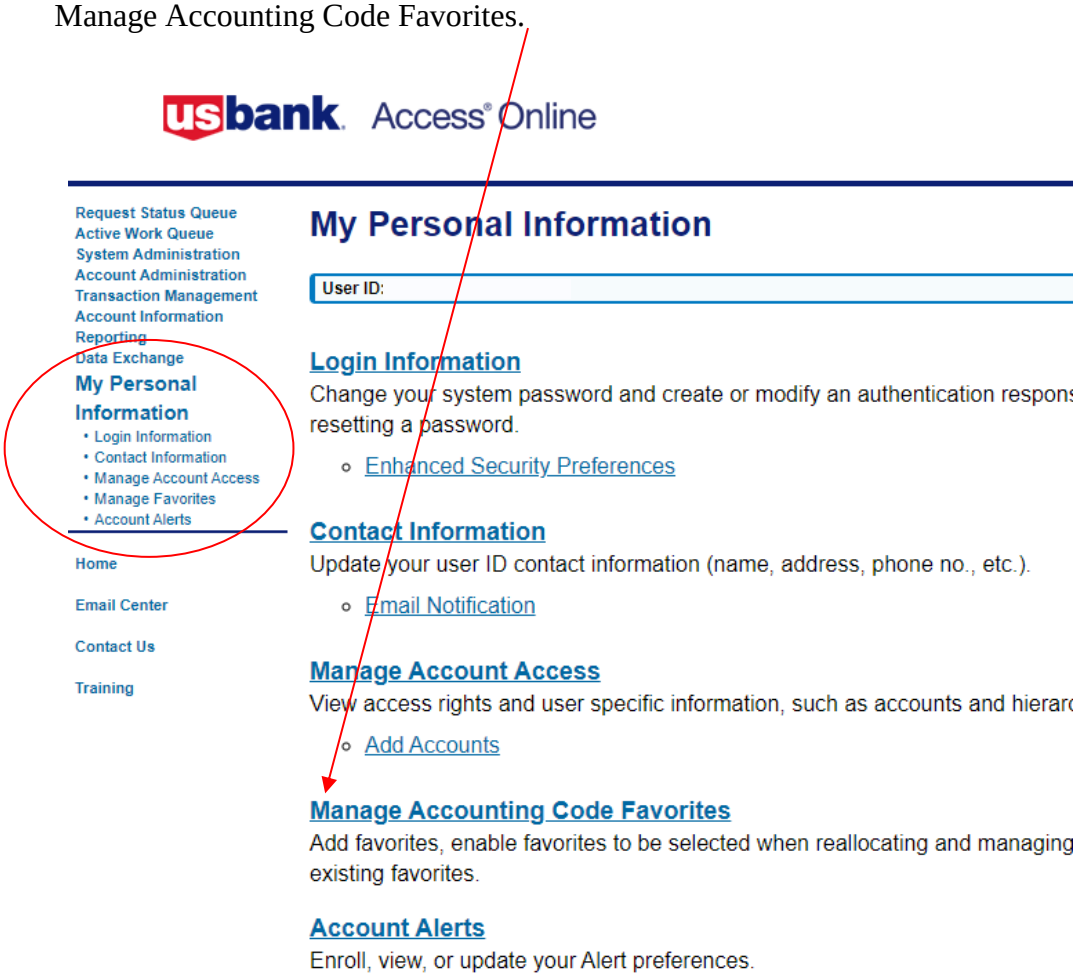
Cardholder Name: _____ **Signature:** _____

Supervisor Name: _____ **Signature:** _____

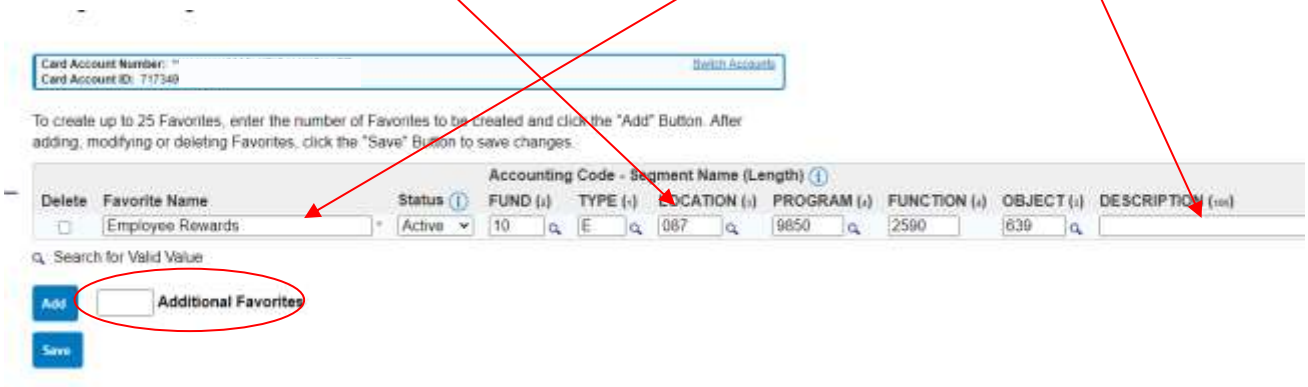
If you frequently use the same accounts, the system has the ability to create user defined "Favorites" for account codes and descriptions. You can have up to 25 such favorites. For example, a school may have supplies as the default account code, but schools should be using the P-Card for postage as often as possible. Rather than having to change the account code and description each time, the user can set up a favorite for postage. Similar favorites could be set up for software, Land Trust accounts, etc.

Remember that P-Cards should **not be used for travel or fixed assets**. Fixed assets are generally a purchase that has a high potential for theft (e.g. computers, cameras, vacuums, etc.) and cost more than $5,000.

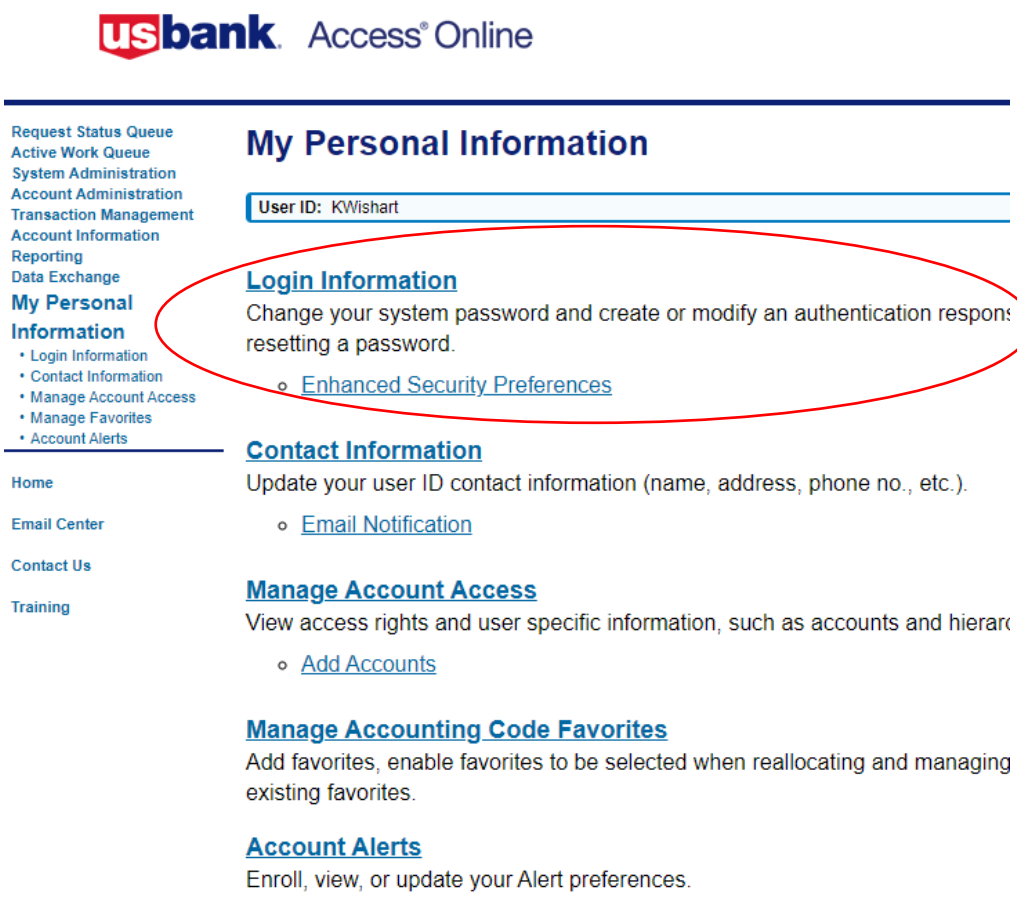
There are two ways to create Favorites. One is to go to My Personal Information and click on Manage Accounting Code Favorites.



Now you would select how many favorites you would like to add in the Additional Favorites box then click **Add**. It will then add how many you requested. First enter a nickname for the favorite and then add the account codes you want then you can add brief description such as postage, office supplies etc. Then click the **Save** button and it will save them for you to use when you reconcile your transactions.



The other way to add favorites is while you are reconciling your transactions by entering the accounting code and description and click the Add as Favorite at the end of the description box. It will bring up the same kind of screen as above just click Save if you don't want to add any additional accounting codes to your favorites.

Once Favorites are added, a **drop-down** option appears that allows the user to quickly select a Favorite for a transaction. **Caution: Final transaction descriptions must be specific to the purchase and not generic.** Therefore, most Favorites will still need some changing for each specific transaction. Also, when selecting a Favorite, be careful that it charges the correct account.

IMPORTANT: Every P-Card holder should change their password, authentication questions and answers, and verify their e-mail address as soon as possible. To make these changes go to **My Personal Information** screen.