

PURCHASING CARD PROGRAM



JORDAN
SCHOOL DISTRICT

POLICIES AND PROCEDURES MANUAL

Overview

The purpose of the Purchasing Card is to establish a more efficient, cost-effective method of purchasing and payment for small-dollar transactions. The Purchasing Card is designed to replace a variety of processes including petty cash, NPO's, 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 Card usage may be audited and/or rescinded at any time.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 Purchasing Card, so please read it carefully. Your signature on the enclosed Cardholder Agreement indicates that you understand the intent of the Purchasing Card and that you agree to adhere to the guidelines established for the Purchasing Card. You will receive your Purchasing Card after receipt of the signed Purchasing Card Account Application/Agreement and after completing a mandatory online training session sent to you by the Purchasing Card Administrators. You may begin using it immediately upon activation. As you use the card, please contact your supervisor or one of the Purchasing Card Administrators 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 Purchasing Card is used. This cannot be taken lightly!

Support Contacts

District

Purchasing Card Administrator

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Director of Purchasing

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P-Card Accounting Administrator

Dan Ellis

Director of Accounting

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Purchasing Card Clerk

Kris Wishart

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P-Card Payment Clerk

Kaylei Jones

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U.S. Bank Customer Service

The customer service line is available 24 hours a day, 7 days a week @ **1-877-846-9302**.

When you asked who your representative is, indicate that it is "Service Point".

To obtain a card

You must complete the online Purchasing Card training and we recommend that you read the Policy and Procedures manual in its entirety upon receipt of your Purchasing 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 Purchasing Card.

After you read this and understand the procedures outlined, complete a Purchasing Card Account 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 Purchasing 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 Purchasing Card helps to eliminate the use of petty cash, NPO's, small dollar purchase orders, some open purchase orders, and M-book purchases.
- The Purchasing Card is NOT intended to avoid or bypass appropriate purchasing, warehouse, or payment procedures. Rather, the Purchasing Card complements the existing processes available.
- The Purchasing Card is not intended to replace the current travel and entertainment policy or procedures.
- **The card is not to be used for personal use.**
- The Purchasing Card can be used for in-store purchases, internet, telephone, and faxed orders.
- The Purchasing 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 Purchasing Card program may result in severe consequences, up to and including termination of employment.

Examples of when the Purchasing 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 Purchasing Card may not be used:

- Any item exceeding \$1,999.00 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.

Some built-in restrictions

Each card has been assigned a \$1,999.00 and the monthly credit limit is normally \$5,000.00; however, those amounts can be less than that depending on your need. 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 MCC codes have been "blocked" by the District automatically from usage of the Purchasing 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 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 use 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.

6 th of the Month	Cycle ends at the close of business, unless the 6 th falls on a holiday or a weekend.
7 th of the Month	New cycle begins Monthly Cardholder Statements available online Begin reconciliation process
19 th of the Month	Deadline for reconciliation paperwork to be signed and turned into the Accounting Department.

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, ask the vendor to include the receipt with the goods when the product is shipped to you. 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. A form has been attached to this manual and is also available on the purchasing website.

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 Activity Sheet - This should be signed by the cardholder and their supervisor with all transactions reviewed and reallocated to the appropriate account code if not the default account code. (See pages 8 – 15 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. 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 “Helpful Links/Forms”.

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 Purchasing 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 Purchasing 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 log 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 log 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 and/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 Purchasing 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 1-800-344-5696. Unauthorized or fraudulent charges on the Purchasing Card will not be the responsibility of the cardholder or the District if proper reporting procedure is followed.

Lost or stolen cards

The Purchasing 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 Purchasing 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 Purchasing Card.

You may be charged tax when you suspect you should not. We realize there may be an insignificant number of cases where tax will be paid unnecessarily.

Should you have additional questions regarding whether or not tax should be paid, please contact the Purchasing Card Administrator 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 Purchasing Card – even if they don't currently accept Visa. The Purchasing

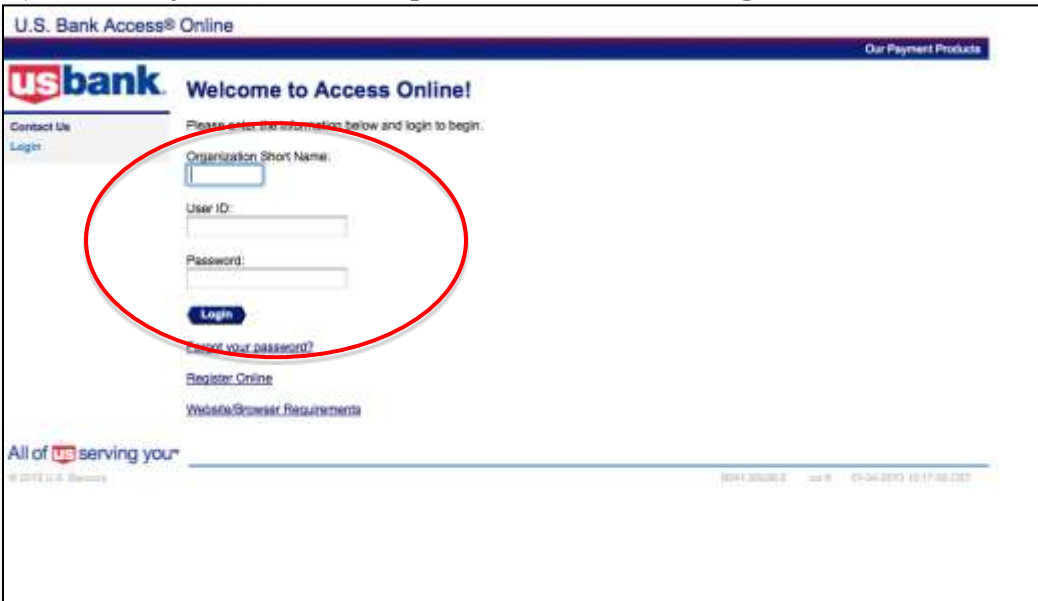
Card is not restricted to retail vendors only. Although we do not endorse Visa or any of its associated banks specifically, we encourage vendors to accept the Purchasing Card so that cardholders can use it most effectively. Vendors may contact their local bank or financial institution to become Visa capable.

Summary

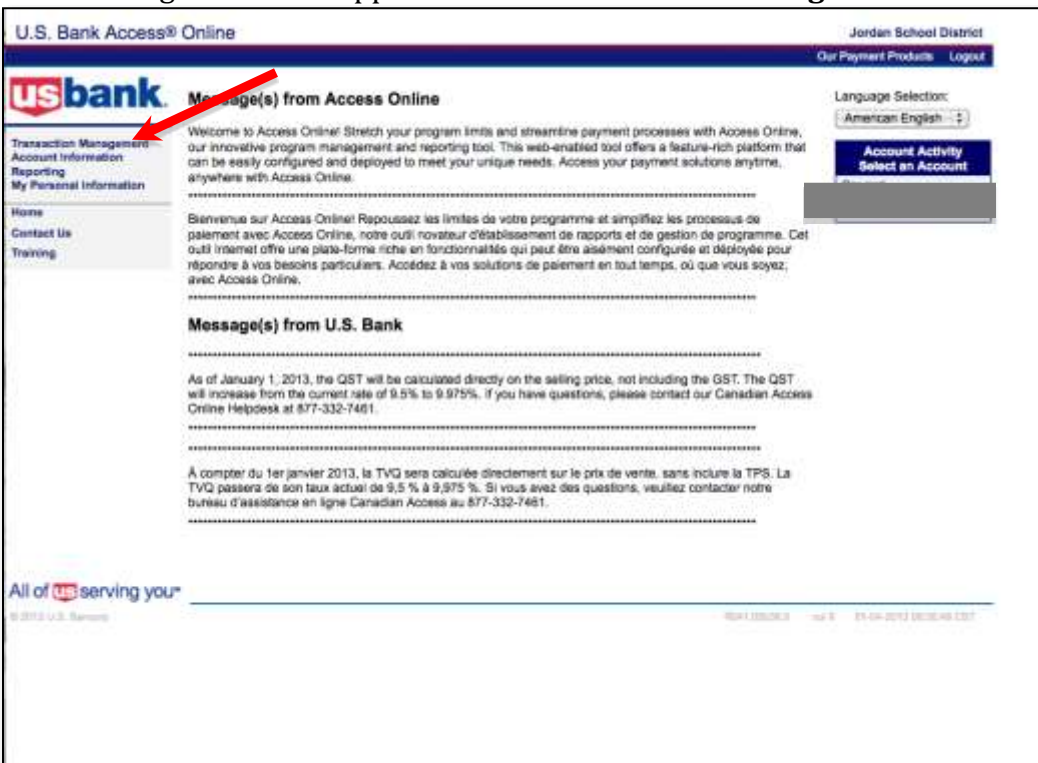
- Vendors are paid within three days of your sales transaction. Please indicate to vendors that you do not wish to be invoiced, as an invoice could result in duplicate payment. An itemized copy of the sales receipt is the only documentation the district requires.
- The Purchasing Card is designed to 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 Purchasing Card program.
- We ask you to exercise good judgment and act responsibly when using your Purchasing Card. The Purchasing 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 Activity sheet accurately and always retain your itemized receipts!
- In addition, random audits may be conducted for proper purchasing card activity, retention of receipts, as well as on your Cardholder Activity sheet. Consequences of insufficient documentation, late submission of reconciliation paperwork, or improper use, can range from suspension of your purchasing card privilege to termination of employment.
- We as a district strive to improve the way we conduct business. Your use of this Purchasing 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 Purchasing Card or need additional information, please contact the Purchasing 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 Name as **jsd**. Enter your **user id** and **password**, and select **login**.



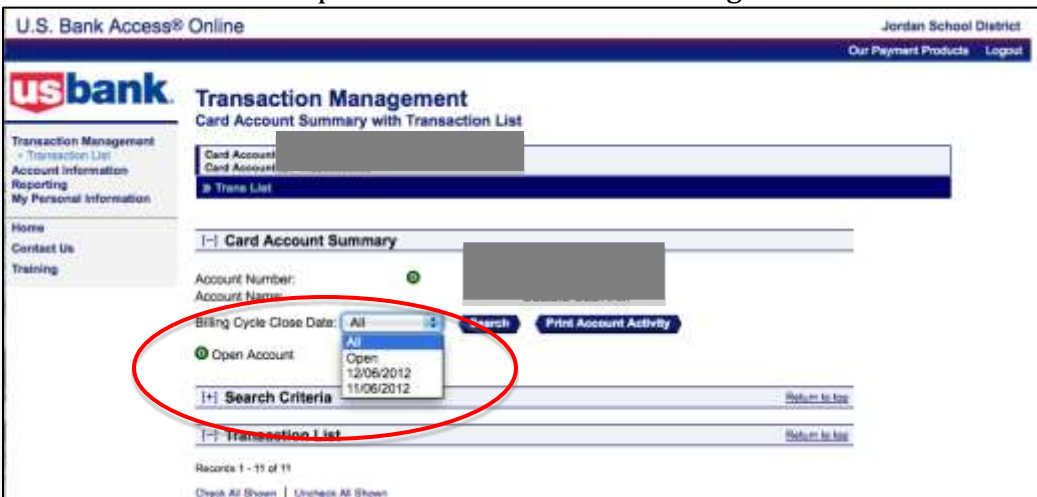
The following screen will appear. Select **Transaction Management**.



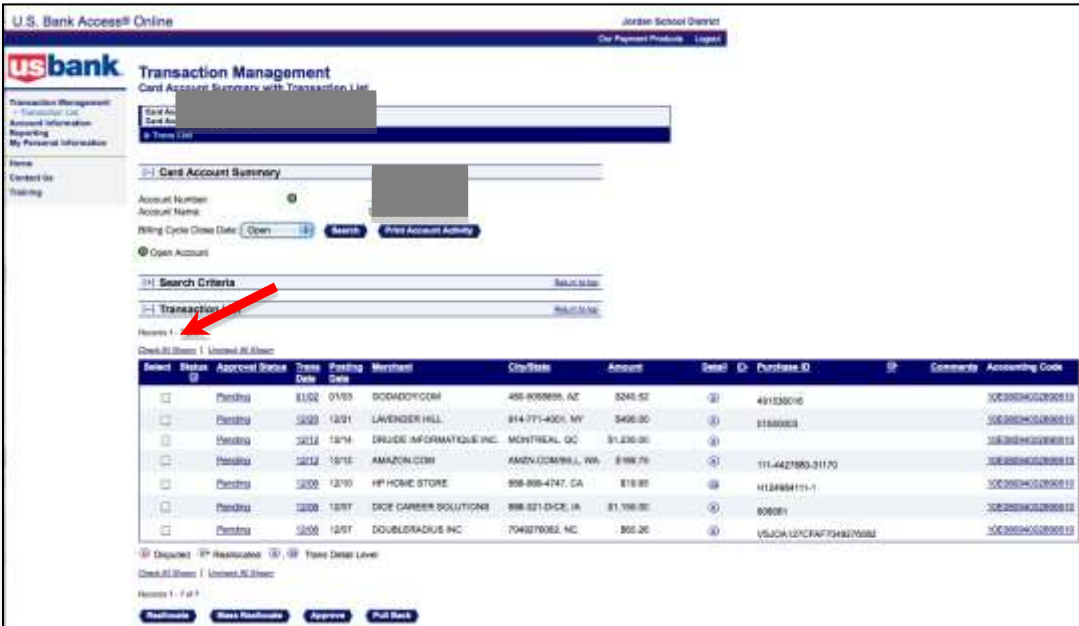
Select **Transaction List** to go between previous cycle transactions and open current cycle transactions. Select **View Previous Cycle** to work with transactions purchased before the 6th of the latest month. If you plan on only going into the system once a month, after the cycle close date of the 6th,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



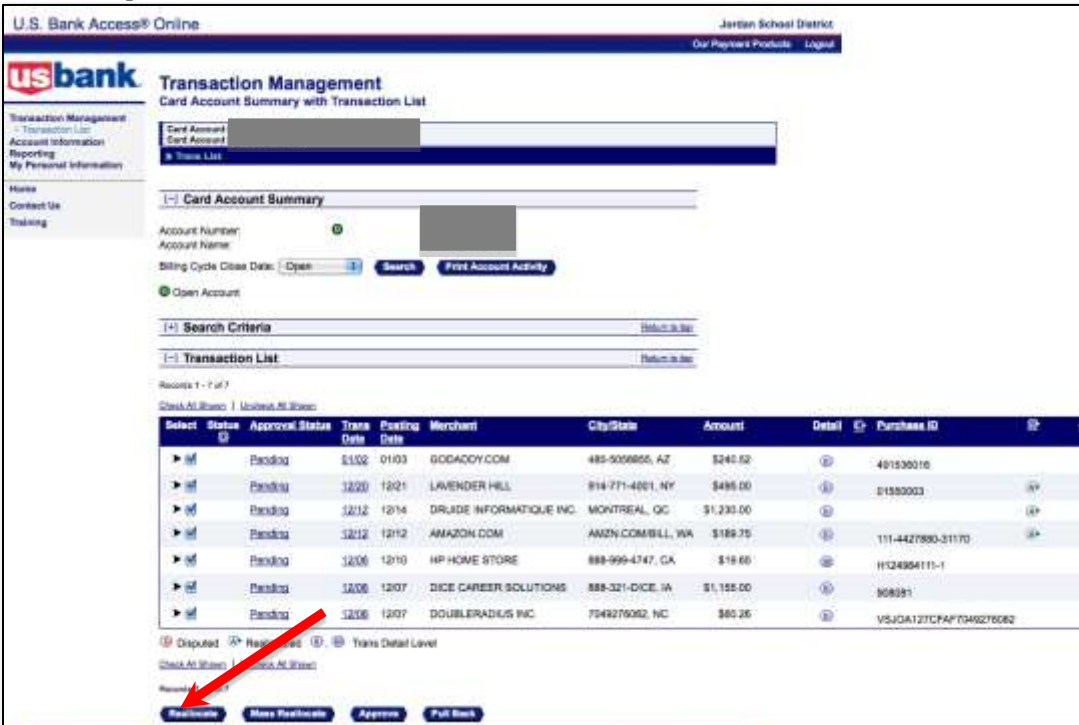
Once within a transaction list you can select different billing cycle close dates here. However, after the 20th of each month, the ability to change data for the latest cycle is removed. You can view previous months but not change the data.



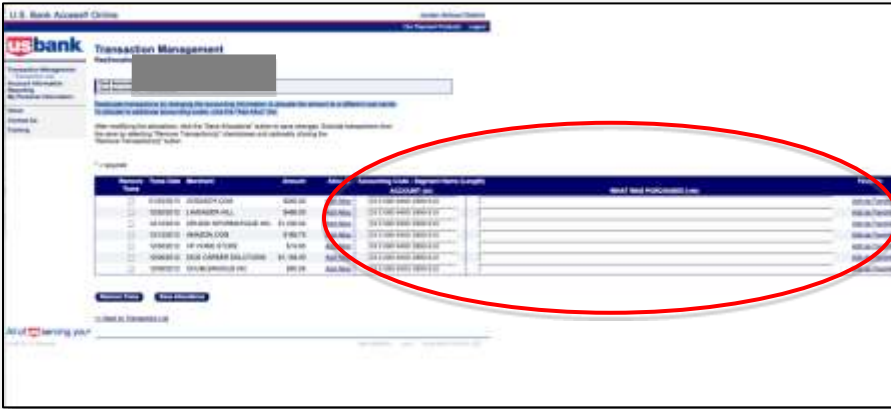
On the far right of each transaction is the default accounting code assigned to you. You can either select each transaction one at a time or choose **Check All Shown** to do all transactions at once. Each transaction must be selected, either individually or collectively, even if the default account code is correct, in order to enter a description of what was purchased and change the account code when needed. This tutorial assumes most will choose to do all transactions at once, so we selected the “Check All Shown” option.



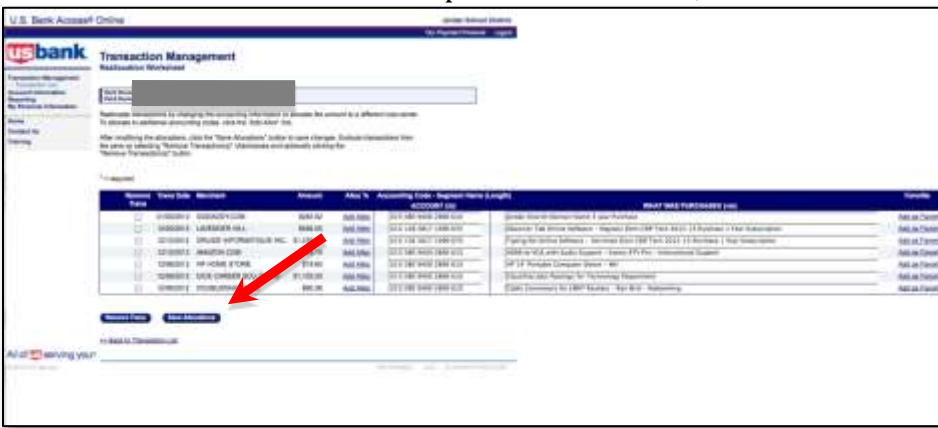
Once the “Check All Shown” option is selected, checks should appear in each box to the left of each transaction. Select **Reallocate** to change account codes and enter descriptions of what was purchased on each transaction.



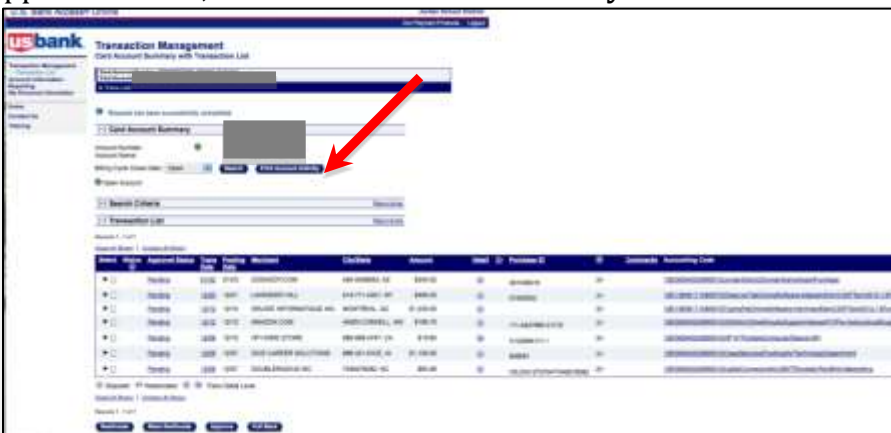
Change account codes as necessary and enter descriptions of what was purchased on each transaction. Account codes should have a space between each segment (e.g. 10 E 123 0050 1090 610) and descriptions should be as complete as possible to avoid questions about what was purchased by supervisors, Accounting, and public records requests.



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, sign, date, 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.



Cardholder Activity

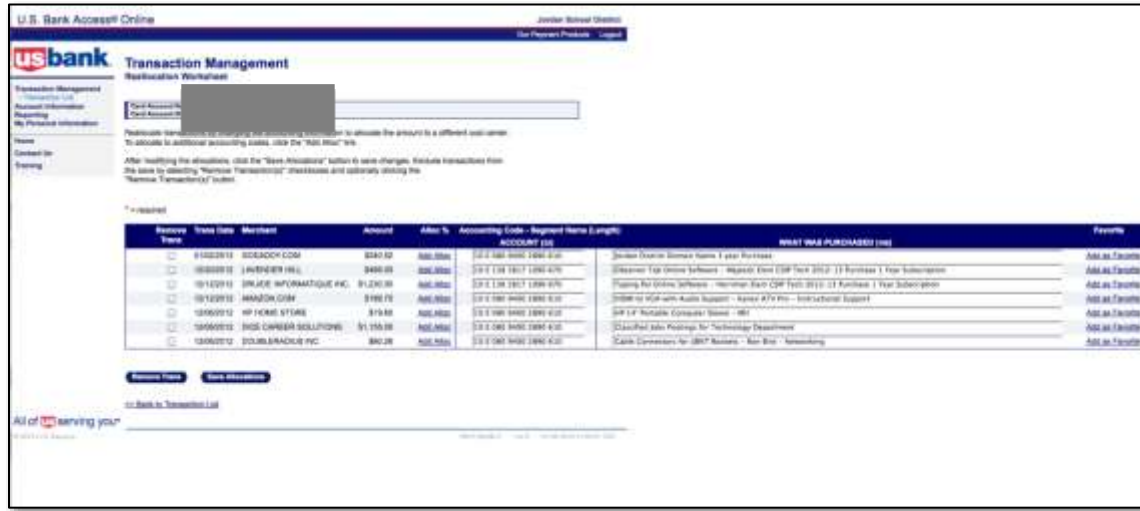
Account No. [REDACTED] Cycle End Date: [REDACTED] Open

Trans Date Posting Date	Merchant Name City, State/Prov.	Transaction Total Allocation Amount	Source Currency Accounting Code	Currency Amount
12/06/2012 12/07/2012	DOUBLERADIUS INC 7048276082, NC	\$60.26 \$60.26	USD 10 E 060 9400 2890 610 Cable Connectors for USBVt Rockets - Ron Bird - Networking	60.26
12/06/2012 12/07/2012	DICE CAREER SOLUTIONS 899-321 DICE, IA	\$1,155.00 \$1,155.00	USD 10 E 060 9400 2890 610 Classified Jobs Postings for Technology Department	1,155.00
12/06/2012 12/10/2012	HP HOME STORE 888-999-4747, CA	\$19.65 \$19.65	USD 10 E 060 9400 2890 610 HP 14" Portable Computer Sleeve - MH	19.65
12/12/2012 12/12/2012	AMAZON.COM AMZN.COM/BILL, WA	\$189.75 \$189.75	USD 10 E 060 9400 2890 610 HDMI to VGA with Audio Support - Kanex ATV Pro - Instructional Support	189.75
12/12/2012 12/14/2012	DRUDE INFORMATIQUE INC. MONTREAL, QC	\$1,230.00 \$1,230.00	USD 10 E 136 5617 1090 670 Typing Pal Online Software - Herimian Elem CSIP Tech 2012-13 Purchase 1 Year Subscription	1,230.00
12/29/2012 12/21/2012	LAVENDER HILL 914-771-4001, NY	\$495.00 \$495.00	USD 10 E 136 5617 1090 670 Observer Tab Online Software - Majestic Elem CSIP Tech 2012-13 Purchase 1 Year Subscription	495.00

Trans Date Posting Date	Merchant Name City, State/Prov.	Transaction Total Allocation Amount	Source Currency Accounting Code	Currency Amount
01/02/2013 01/03/2013	GODADDY.COM 480-5056665, AZ	\$240.52 \$240.52	USD 10 E 060 9400 2890 610 Jordan Domain Domain Name 3 year Purchase	240.52
Activity Totals		Purchases	Payments	
\$3,390.18		\$3,390.18	\$0.00	
Cardholder Name:	_____	Signature:	_____	
Supervisor Name:	_____	Signature:	_____	

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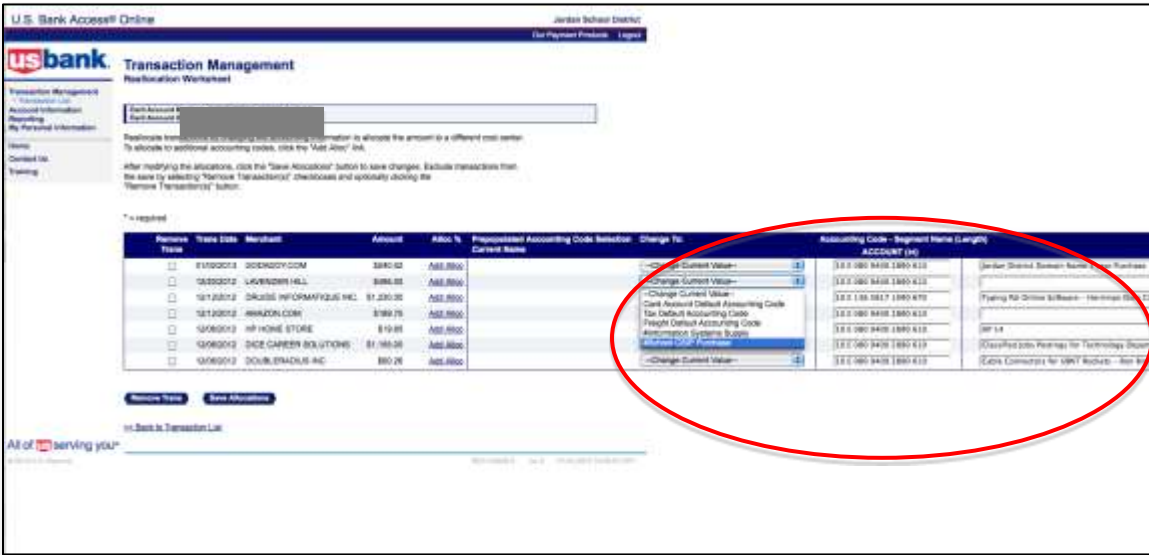
If you frequently use the same accounts, the system has the ability to create user defined “Favorites” for account codes and descriptions. You can have up to 25 such favorites. For example, a school may have supplies as the default account code, but schools should be using the P-Card for postage as often 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 purchases that have a high potential for theft (e.g. computers, cameras, vacuums, etc.) or cost more than \$2,000. You can create favorites by selecting “Add as Favorite” on the same screen where accounts and descriptions are changed.



Once you select “Add as Favorite” a screen similar to below will show. Note that in this example the user set up a Favorite for a similar purchase but not knowing what school location to charge. Instead of a location number, the user set up XXX as the location. This user must then change the location code every time they use this Favorite, but at least they did not need to change the entire account code or description. If you have several Favorites you would like to add, enter the number of Favorites to add here and then select **Add**. When finished creating or modifying your favorites, select **Save**.



Once Favorites are added, a new 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.

