

PURCHASING CARD PROGRAM



**INTRODUCTION**

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Welcome to the North Scott Community School District Purchasing Card program!

On behalf of the Business Office, I welcome you to participate in the North Scott Community School District Purchasing Card program (“P-Card”). We believe that each team member’s time is valuable and we believe the P-Card program contributes directly to enabling you to help streamline the district’s purchasing needs.

This manual is designed to acquaint you with information about the P-Card program’s policies and procedures. You should read, understand, and comply with all provisions of the manual. It describes many of your responsibilities as a team member and outlines the processes and procedures to facilitate secure, timely, and accurate purchasing transactions. One of our objectives is to provide purchasing channels that empower our employees to make sure our resource needs are met to deliver quality services to our patrons while at the same time providing the necessary financial controls to safeguard our district’s assets.

The P-Card manual cannot anticipate every circumstance or question. As our organization usage continues to grow, we may revise, supplement, or rescind any policies or portion of the manual from time to time, as the organization deems appropriate.

Again, welcome to the P-Card program!

PURCHASING CARD PROGRAM



CODE OF CONDUCT

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The Code of Conduct for the North Scott Community School District Purchasing Card Program is designed to provide the participant a set of guidelines and philosophy to follow regarding the use of the card.

- **P-Card Agreement**  
The issuance of a P-card is strictly prohibited prior to receipt of a signed agreement from the employee. An employee must sign the P-Card agreement prior to receiving a P-Card.
- **Purchases**  
P-Card purchases should be made so that the organization gains the maximum value and quality for each purchase.
- **Supplier Gifts**  
Decline all personal supplier gifts offered.
- **Personal Use of P-Card**  
P-card usage is for authorized business purchases only. **Personal purchases are strictly prohibited.**
- **P-Card Security**  
The P-card is the property of the North Scott Community School District. Unless an employee is traveling or making a purchase for the district, the P-card must be retained in a secure location and not kept in the employee's purse or billfold. This practice reduces the possibility of the P-card being lost or stolen.
- **Authorization**  
Only the employee to whom the card is issued is authorized to use it. **Delegating the use of the P-card to another employee is strictly prohibited.**

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### CODE OF CONDUCT

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- **Supplier Bids**  
Where required in accordance with district policy, all suppliers should be offered an equal opportunity to participate in the district's purchasing programs within federal and state statutory regulation.
- **Supplier Disagreements**  
If a disagreement occurs with a supplier, the employee should make every effort to reach a reasonable and equitable settlement to the dispute. If it is not possible to settle the disagreement under reasonable circumstances, submit the dispute and all documentation to the Business Office.
- **Negotiations**  
Employees are required to conduct themselves in a good faith manner when negotiating with suppliers. Any intentional misrepresentation is strictly prohibited.
- **Organization Policies**  
Adhere to district policy as it relates to the P-Card program.
- **Documentation**  
All purchases using the P-Card program must be properly documented for business purposes. Any altered or forged documentation is strictly prohibited.
- **Purchase Restrictions**  
The purchase of products, services, or commodities on the restricted list in the Purchasing Card Policy is strictly prohibited. Check with the Business Office if you have any questions whether a charge is valid under the P-card program.
- **Purchase Limits**  
All dollar value purchase limits will be adhered to under the program and any splitting of transactions to avoid authorized limits is strictly prohibited.
- **Business Practices**  
The Board of Education strongly supports business transactions with local vendors if the goods/services are of acceptable quality and price competitive. Iowa law stipulates preference to Iowa suppliers. Local suppliers are even more important because their tax and overall economic contributions are vital to our region and our schools. The Common Vendor List is a sample, but not exclusive, list of vendors and requirements.

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**ACKNOWLEDGMENT FORM**

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The P-Card manual describes important information about the North Scott Community School District purchasing card program controls and processes required to manage the day-to-day operations of this purchasing option. The manual is intended to inform cardholders handling P-Card transactions about the formal policy guidelines, processes and responsibilities of the various participants. These policies ensure that P-card purchasing is consistent with the North Scott Community School District fiscal and internal control goals.

Since the information, policies, and procedures described in the manual are subject to change, I acknowledge that revisions to the P-Card manual may occur. All policy changes require the appropriate authorized approvals before they are implemented. I understand that revised information may supersede, modify, or eliminate existing policies.

I acknowledge that I have received the P-Card manual, and I understand that it is my responsibility to read and comply with the policies and the Code of Conduct contained in the manual and any revisions and updates made to it.

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CARDHOLDER'S SIGNATURE

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DATE

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CARDHOLDER'S NAME (TYPED OR PRINTED)

## PURCHASING CARD PROGRAM



### Cardholder Setup and Activation

#### Overview

The purchasing card program is designed to assist the organization in reducing its reliance on requisitions, purchase orders, petty cash funds, paper checks, and reduce the need to use personal funds for business purposes. The program should help increase your turn-around time in the fulfillment of orders, provide greater flexibility, and reduce paperwork. The Business Office is responsible for the implementation, maintenance, program compliance, auditing, payment processing, issuance of the P-Card, and bank relations to solve customer service issues. Only employees of the district are allowed to participate in the program. Each cardholder has the responsibility to review, reconcile, and submit their monthly account statement and purchasing card expense report with the appropriate receipts and signatures for processing and payment by the due date.

All employees must adhere to the policies outlined in this manual and the district's financial and operational policies. Failure to comply can result in suspension from the P-Card program and include disciplinary actions that may include termination of employment. The P-Cards issued are the property of the North Scott Community School District and can be canceled at any time. Periodic audits will be performed to ensure the cardholder complies with the policies and procedures.

#### **1. Cardholder Setup**

All P-Cards will be issued through the Business Office.

New participants will receive a P-Card manual. The new participant must sign the P-Card Use Agreement that outlines the responsibility of the cardholder while in possession of the P-Card. In addition, the participant is required to read the Code of Conduct for the program and adhere to the principles in the policy. Both of these documents must be completed and signed prior to the release of the P-Card to the cardholder from the Business Office.

#### **2. Activation of Account**

The Business Office will activate all P-Cards prior to issuance.

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Purchasing Guidelines and LimitsOverview

The North Scott Community School District only allows certain purchases to be made using the P-Card. All purchases must be made in compliance with our Purchasing policies and the guidelines set forth in this manual. **Any violation will result in disciplinary action that may include termination of employment.** It is the responsibility of the authorized cardholder to ensure all purchases are sales tax exempt (excluding lodging and meals during travel). Only the authorized cardholder may use the P-Card and no authority is permitted or conferred to the cardholder for the delegation of its use. Each cardholder has a designated single transaction credit limit and a monthly credit limit. Intentional circumvention of these limits is strictly prohibited. This includes splitting a transaction amount with the same vendor or multiple vendors for purchases that would otherwise exceed the cardholder's limits. The District will perform periodic audits electronically and manually to verify adherence to this policy.

## 1. Allowable Purchases

- General and Instructional Supplies including software
- Travel (as permitted and pre-approved by the District's travel policy)
- Pre-Approved meeting/convention expenses including registrations & hotels
- Internet purchases for books and supplies

## 2. Prohibited Purchases

- Cash advances, wire transfers or money orders
- Independent contractors or other personal services
- Maintenance contracts
- Personal purchases
- Telephone expenses
- Alcohol purchases
- Donations
- Employment ads
- Parking tickets
- Gift Cards
- Prepaid Cards (Itunes etc.)

## PURCHASING CARD PROGRAM

**Recordkeeping & Reconciliation****Overview**

The cardholder must maintain a transaction log of purchases made using Microsoft Excel to assist the Business Office in reconciling the account statement each month. **The cardholder is responsible for maintaining adequate receipts for goods and services purchased with the P-Card. The documentation retained should include sales receipts, packing lists (if applicable) and credit card transaction receipts.** Examples of receipt documentation include the following:

- Cash register receipt
- Car rental original receipt showing date in and out
- Airline itinerary and sales receipt (if an electronic “e-ticket”, attach the on-line confirmation or boarding pass document).
- Itemized hotel and restaurant bills
- On-line invoices or confirmations for supplies, registrations, etc.

At least once per month, the Business Office will send an account statement to each cardholder to verify all charges are accounted for on their transaction log. The cardholder must contact the vendor directly to resolve any discrepancies or incomplete orders, incorrect charges, duplicate transactions, or missing credits. Upon completion of the transaction log, the cardholder must sign the transaction log documenting their agreement with the transactions appearing on their account statement.

## 1. Missing Receipts

If the cardholder is missing receipts, the cardholder must request a duplicate from the vendor. If a duplicate is not available and under exceptional circumstances the Superintendent may allow a claim without proper receipt. The cardholder must submit a Missing Receipt Form documenting the pertinent transaction information. This documentation must be reviewed by the cardholder’s supervisor, initialed, and submitted with the cardholder’s account statement, transaction log, and receipt documentation.

**Billing & Payment****Overview**

The District receives account statements from its P-Card bank administrator on the 5th of each month. Each cardholder will then receive a copy of their P-Card account statement from the Business Office. The Business Office must receive your reconciled transaction log, account statement, and receipt documentation within 5 business days of the receipt of this statement. Any account statements deficient of the proper approvals and documentation will be returned to the cardholder’s supervisor to be resubmitted appropriately. If a cardholder is consistently delinquent in submitting their reconciled account statement to the

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Business Office, the P-Card administrator and the cardholder's supervisor may review their status as a participant in the program and suspend their privileges until an adequate resolution is achieved.

### Disputed Transactions

#### **Overview**

At times there might be disputed transactions appearing on a cardholder's account statement. The dispute may arise due to non-delivery of the goods or services, incorrect billing, duplicate billing, missing a valid credit not processed to the account for a return, altered charges or defective merchandise. When this occurs the cardholder must complete a Disputed Statement Form documenting the reason for the disputed item and other transaction details. The cardholder must submit the form directly to the bank, and notify the vendor of the discrepancy. The cardholder is responsible for resolving the disputed item with the vendor.

If a vendor does not issue a credit for a returned item within 15 days of the return, cardholder must also complete the Dispute Statement Form as notification to both the bank and the vendor. Any disputes that cannot be resolved by the cardholder directly with the vendor may contact the bank for assistance.

#### **Contact Information**

Telephone 1-800-263-2263

The bank must be notified of all disputed transactions within 30 days of the statement date.

**NOTE ON RETURNED ITEMS:** Items should be returned directly to the vendor by whichever means the vendor requires. It is the cardholder's responsibility to determine that proper credit is posted for any returned item.

#### Key Dates

- Cardholder has 30 days from statement date to notify the Bank of the dispute
- Cardholder has 15 days from the date of the returned merchandise to begin the dispute process

### **Travel using the P-Card**

#### **Overview**

A cardholder must have the travel purchase option enabled in their account profile in order to use their P-Card for such expenses. All travel must be pre-approved by the district's administration and the appropriate documentation

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attached to each account statement submitted to the Business Office for payment. The cardholder must adhere to the organization's Travel Policy guidelines and procedures. All travel must be for business purposes only and any personal use is strictly prohibited.

### 1. Travel Tips

The P-Card **should not** be used for gasoline for your personal vehicle when it is used for business purposes. Business travel incurred when using your personal vehicle will be reimbursed by claiming mileage on your expense report. If you are traveling with a rental car, then gasoline may be purchased using the P-Card.

The P-Card may be used to pay itemized hotel bills.

The District does not provide ATM privileges with its P-Card program. Any cash needed while traveling must be from personal funds that are reimbursed upon submitting an expense report.

## **Audits**

### **Overview**

All cardholder accounts are subject to periodic audits to ensure compliance with the organization's overall policies and the policies outlined in this manual. The P-Card administrator and Business Office may review transaction activity reports as deemed necessary to ensure adherence to the P-Card policies. If an audit reveals a policy violation, the cardholder and their manager will be contacted and disciplinary action assessed based on the type of violation. Violations include:

- Intentional splitting of transactions to circumvent the credit limit including single transaction limits.
- Consistently delinquent accounts submitted for processing and payment.
- Personal use of the P-Card.
- Allowing an unauthorized user to use the P-Card.
- Purchase of prohibited products, service or merchandise outlined in the organization's policies and in this manual.
- Failure to pay inadvertent personal charges on the P-Card.
- Fraudulent transactions with a vendor.
- Violation of the District's Purchasing Policy

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**Lost or Stolen Cards**

**Overview**

If your card is lost or stolen, the cardholder must immediately contact the Bank and the P-Card Administrator. The cardholder should also complete the Account Maintenance Form documenting the card was lost or stolen and the date that it was noticed missing. Upon notification, the card will be suspended immediately and any charges posted to the account after the “missing date” will be denied. A new card will be issued upon completion of an application and indicate that the card is a replacement. After the P-Card Administrator receives the application, it will take approximately two (2) days to reissue a replacement card.

**Card Security Tips**

When you are not traveling on District business, the card should be retained in a secure location other than your personal billfold or purse.

A canceled card should be returned to the Business Office immediately.

When presenting your card for purchases, provide your school identification to identify you as the authorized user of the card.

Sign the back of the card and write “See ID” next to the signature to remind the vendor to look at your personal identification to authenticate the transaction.

Do not provide your card account number to unsolicited marketing calls.

**Contact List**

Bank Information

BMO/Harris Bank

1-800-263-2263 (Primary Number)

1-800-361-3361 (Lost/Stolen – Emergency Replacement)

North Scott P-Card Information

P-Card Administrator

Jill Van Roekel

563-285-4147

[jill.vanroekel@north-scott.k12.ia.us](mailto:jill.vanroekel@north-scott.k12.ia.us)

P-Card Assistant Administrator

Carrie Gilkison

563-285-3104

[carrie.gilkison@north-scott.k12.ia.us](mailto:carrie.gilkison@north-scott.k12.ia.us)

P-Card Assistant Administrator

Amy Longenecker

563-285-3113

[amy.longenecker@north-scott.k12.ia.us](mailto:amy.longenecker@north-scott.k12.ia.us)

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**North Scott Community School District  
Purchasing Card Procedures**

When utilizing the Purchasing Card Program on behalf of the North Scott Community School District, adhere to the following rules and procedures:

1. Employees that check out a building or department procurement card (p-Card) must return the p-Card and receipts to the card custodian immediately after use. The employee's school identification card is needed as a form of identification when using the p-Card.
2. The school principal/department supervisor and the cardholder are accountable and responsible for the Purchasing Card Program within their respective building/department.
3. Building cards are checked out and returned after each use. Building secretaries/principals are responsible for keeping the building cards stored in a secure area when not in use. Individual cardholders are responsible for keeping their p-Card secure at all times.
4. Only the individual whose name appears on the card, or the individual who has checked out the building card may use the p-Card. **Never lend your p-Card to someone else or allow someone to provide your card number to make a purchase.**
5. The vendor receives payment at the time a p-Card is used. The building or individual cardholder will complete the p-Card log form after a purchase is made and include all applicable receipts, invoices, packing slips, etc. The p-card log form includes information such as date of purchase, reason for purchase, and general ledger code for accounting purposes. Send the completed p-Card log form and receipts to the Business Office by approximately the 10<sup>th</sup> of each month.
6. The district does not pay state sales and local option taxes. It is the responsibility of the employee to ensure purchases are sales tax exempt. If needed, contact the Business Office for a vendor specific Iowa Sales Tax Exemption Certificate.
7. Do not use p-Cards for any of the following: personal uses, cash advances, money orders, gift cards, narcotics, dangerous drugs, firearms, alcohol, explosives, professional services, fixed assets, salaries/wages/benefits, cell phone/pagers, etc.

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8. Use the p-Card for **current year** expenses only. No prepays are allowed for the next fiscal year. Contact the p-Card Administrator with questions regarding specific situations.
9. For local purchases, keep a copy of the charge slip, itemized sales receipt, and/or any other information related to the purchase. When ordering on-line, print the final confirmation page for documentation.
10. **NEVER** fax a copy of your card or card number unless the recipient is receiving this information directly.
11. The billing address for all invoices/charges is North Scott Community School District, 251 E. Iowa Street, Eldridge, IA 52748 (**not the district employee**).
12. Follow all district and building purchasing policies and procedures when utilizing the Purchasing Card Program.
13. When using a p-card for meals or lodging, ask for an **itemized** receipt.
14. Report lost or stolen cards immediately to the Purchasing Card Administrator, the school principal/supervisor, and MasterCard 1-800-361-3361.
15. The Purchasing Card Administrator is responsible for the administration and monitoring of the Purchasing Card Program within the district.
16. An individual p-Card is surrendered to the Purchasing Card Administrator in the event of the employee's transfer or separation from the district.

PURCHASING CARD PROGRAM



**Statement of Authority  
North Scott Community School District**

NAME \_\_\_\_\_

POSITION \_\_\_\_\_

LOCATION \_\_\_\_\_

Credit/Charge limit of \$\_\_\_\_\_ per month.

\$\_\_\_\_\_ single transaction limit

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor Signature

\_\_\_\_\_  
Date

PURCHASING CARD PROGRAM

**North Scott Community School District, 251 E. Iowa St. Eldridge, IA  
Individual Purchasing Card Use Agreement**

**WITNESSETH:**

AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between the North Scott Community School District, Eldridge, IA (hereinafter the "District"), and \_\_\_\_\_, residing at \_\_\_\_\_ (hereinafter the "Employee").

WHEREAS, by this Agreement the Employee has been entrusted with a procurement credit card ("P-Card") for use in the purchase of goods and services solely and exclusively for the authorized business purposed of the District: and

WHEREAS, the Employee agrees to abide by the terms and conditions of the P-Card as herein, it is agreed by the District and the Employee as follows:

1. The Employee hereby agrees to immediately return the P-Card to the District upon request.
2. The Employee shall not use the P-Card for the purchase of any goods or services not authorized by the terms of this Agreement or by the direct written approval of the Director of Business Operations or designated procurement card administrator.
3. Employee shall process a P-Card Log and submit receipts and such other reasonable documentation of goods or services purchased as requested by the P-Card administrator.
4. Employee shall immediately notify the Bank of Montreal ("Bank") in the event of a possible loss, theft, or unauthorized use of the Card by calling the Bank at (800) 361-3361 or by fax notice to the Bank at (888) 224-5394. Employee shall also immediately notify the P-Card Administrator of possible loss, theft, or unauthorized use of the Card.
5. Attached herewith and incorporated by reference herein is a Statement of Authority of P-Card use that sets forth the authority and express limits of authority of Employee's use of the P-Card.
6. Utilization of the P-Card must be within annual budget parameters and consistent with applicable Board policies and procedures.
7. The P-Card may not be utilized to circumvent State and District competitive bid laws and policies.
8. Any unauthorized charges (including sales tax) will be paid by said employee by check, cash, or salary deduction.
9. I will surrender the card to the Procurement Card Administrator upon my transfer or separation from the District.
10. This Agreement may not be modified in anyway without the approval of the District.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement the day and year first above written.

NORTH SCOTT COMMUNITY SCHOOL SISTRICT

By:

\_\_\_\_\_  
Signature of Employee

\_\_\_\_\_  
Printed Name of Employee

\_\_\_\_\_  
Director of Business Affairs

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Approved: May 9, 2011  
Reviewed:  
Revised: May 11, 2015