



Walla Walla Public Schools

Business Office

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WALLA WALLA SCHOOL DISTRICT

PROCUREMENT CARD

GUIDELINES

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WALLA WALLA SCHOOL DISTRICT

PROCUREMENT CARD GUIDELINES

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BOARD POLICY

Policy No. 6212

CREDIT CARDS AND PROCUREMENT CARDS

The district issues credit cards to be used for the purchase of fuel for busses, vans, and trucks when the vehicle is being used for district authorized travel or business. The superintendent or his/her designee is responsible for the authorization and control of the use of credit cards, subject to final board approval of payments.

The superintendent shall establish guidelines for the issuance and use of such credit cards.

The Board of Directors of Walla Walla Public Schools authorizes the use of Procurement Cards, which are a bank credit card account for individual use in making appropriate purchases and arranging travel. The Business Office is authorized to establish and maintain a Procurement Card program.

With supervisor approval, Procurement Cards may be issued to any employee of the district. All users of the Procurement Card will sign a User Agreement and will be responsible for all charges made on the account. The Procurement Card may be used only to make approved purchases which do not exceed the card's authorized dollar limitations.

Individual Procurement Card privileges will be revoked for any unauthorized use or abuse.

Cross References: Board Policy 6213
Legal References: RCW 43.09.2855
RCW 42.24.115

Reimbursement for Travel Expenses
Local governments--Use of credit cards
Municipal corporations and political subdivisions –
Charge cards for officers' and employees' travel expenses

Adopted by the Board: July 16, 2002
Revised: December 15, 2009

INTRODUCTION

Welcome to Walla Walla School District's Procurement Card Program. The success of the Procurement Card Program and its continuing use depends on your participation and cooperation. Because of the flexibility of the card, extra diligence in use of the card is required. Please be sure to read and follow the program guidelines as specified within this manual. Misuse of the card, including not following the district's Procurement Card Guidelines (i.e., timelines, obtaining detailed receipts, etc.), will subject card user to lose card privileges and disciplinary action in accordance with the district's policies and procedures relating to disciplinary action and termination for cause.

DEFINITIONS

Procurement Card: The Procurement Card is a MasterCard Procurement Card, to be used only by district employees for business purchases. It is a fast, flexible purchasing tool which provides an extremely efficient and effective method for purchasing items. The MasterCard Procurement Card will enable you to make purchases by telephone, internet, or in person, directly from the vendors. The District's Procurement Card Program is contracted through the Bank of Montreal, sponsored by the Washington Association of School Business Officials, and administered by the Business Office.

Procurement Card Administrator: The Procurement Card Administrator is an employee of the Business Office who administers and oversees the district's procurement card program. All questions or issues regarding the program should be directed to the Business Office Procurement Card Administrator at 509-526-6765.

Procurement Card Application: A procurement card may be issued to an individual or a building/department. The requesting individual or building/department will complete and submit a Procurement Card Application and Procurement Card User Agreement to the Procurement Card Administrator.

Procurement Card User Agreement: All district employees who will use, reconcile, check-out, or keep procurement cards are required to sign this form. The signer of this form agrees to abide by Walla Walla School District's Procurement Card Guidelines and authorizes Walla Walla School District to withhold from payroll the value of any purchase contrary to policy.

Card Custodian: A card custodian is the district employee who has the responsibility for their own individual and/or their building's/department's procurement card(s) including authorizing disbursement, accounting, and reconciliation of the procurement card account(s). The custodian will sign a Procurement Card Application and Procurement Card User Agreement for the procurement card(s) and will be responsible for all charges on the card(s).

Card User: A card user is the district employee who may check out a building/department procurement card from the card custodian. The card user is required to sign a Procurement Card User Agreement and the Procurement Card Sign Out Sheet before checking out a procurement card.

Card Supervisor: A card supervisor is the administrator who signs the Procurement Card Applications and Procurement Card User Agreements. The card supervisor has budget authority and ultimately authorizes and approves all purchases by employees for procurement cards under his/her responsibility.

BMO Spend Dynamics: The name of the online approval and reconciliation process for the card custodian.

REQUEST FOR ISSUANCE OF PROCUREMENT CARD

Requesting a Procurement Card:

1. Card custodian completes and signs a Procurement Card Application and Procurement Card User Agreement, obtains card supervisor's signature, and sends to the Procurement Card Administrator.
2. A default budget code will be assigned to each card and may be used for any card transaction not resolved before payment is issued.
3. Buildings/Departments may implement more stringent and/or additional control procedures.
4. Training will be provided to the card custodian with issuance of the procurement card. Procurement card program forms may be obtained on the Business Office's website or from the Procurement Card Administrator.
5. Card supervisors may request a credit limit increase by sending an e-mail - with the new credit limit amount - to the Procurement Card Administrator. The Procurement Card Administrator will notify you when the change has been approved.

Checking out a Procurement Card: Individuals may check out a building/department procurement card from a Card Custodian. Prior to checking out a procurement card, the card user must:

1. Read the Procurement Card Guidelines and complete a Procurement Card User Agreement, to be kept on file with the building/department. (This form only has to be signed once by each card user.)
2. Sign a Procurement Card Sign Out Sheet.

SECURITY AND REPORTING LOST OR STOLEN CARDS

Keep the procurement card(s) in a secure location and safeguard the account number(s). The statements must also be maintained in a secure location as the account number is printed on it. DO NOT post the account number(s) anywhere that is easily accessible to others. DO NOT share the card(s) with anyone except those who have signed a Procurement Card User Agreement and Procurement Card Sign Out Sheet. Immediately notify Bank of Montreal at 800-263-2263 and the Procurement Card Administrator at 509-526-6765 of a lost or stolen procurement card.

OPERATING GUIDELINES

All contact with Bank of Montreal for card set up, maintenance and closure (except for reporting lost or stolen cards) will be handled by the Procurement Card Administrator.

1. The procurement card may be used for legitimate business purposes only.
2. Purchases made with the card must follow the Walla Walla Public Schools Accounts Payable/Purchasing/Reimbursement Guidelines, Travel Planning Guidelines, Bid Requirements Policy & Procedure No. 6220, and Procurement Card Guidelines.
3. Only the employee who signed the Procurement Card Sign Out Sheet for the card may use the card. Or for individual procurement cards, only the individual whose name is on the card may use the card.
4. Detailed receipts must be obtained and submitted to the card custodian for all purchases, as well as an appropriate credit slip for any returned items.
5. Neither cash nor store credit are acceptable in lieu of a credit to the procurement card account.
6. Misuse of the card, including not following the district's Procurement Card Guidelines (i.e., timelines, obtaining detailed receipts, etc.), will subject card user to lose card privileges and disciplinary action in accordance with the district's policies and procedures relating to disciplinary action and termination for cause.

PROCUREMENT CARD USE

The Procurement Card is a district charge card and will not affect personal credit. The card works just like a personal credit card, except all charges are paid in full by the Walla Walla School District. Limitations have been coded in the card to control its use in the following ways: 1) Total spending limit per month per card-noted on monthly card statement, and 2) No cash advances. Furthermore, use of district procurement cards is limited as follows:

Allowable Charges:

- Travel Expenses including: Airfare, Car Rental (incl fuel), Taxi/Shuttle, Parking, Internet (district work related)
- Lodging (Contact the hotel directly. Procurement card charges to third party vendors, such as hotels.com, are prohibited. The person traveling will check out a building/department procurement card to take with them for the above expenses.)
- Admissions to museums, theaters, science centers, plays, and cultural events (student field trips only)
- Field trip expenses
- Instructional materials, videos
- Meals and refreshments for in-district meetings and training sessions **directly related and/or associated with school district business**. (The meal costs may not exceed the per person per diem rate. For example, if the lunch per diem rate is \$14, then the lunch costs for a staff of five may not exceed \$70, including gratuity. Do not use contracted catering services.)
(Purchase of meals while in travel status is prohibited, with the exception of meals during student trips.)
- Memberships
- Online conference registrations (Do not write procurement card number on registration forms to be mailed or faxed.)
- Subscriptions
- Supplies (classroom, office, meeting, general)

Prohibited Charges:

- Alcoholic beverages or any substance, material, or service which violates policy, law, or regulations pertaining to Walla Walla School District.
- Athletic Apparel and Equipment
- Capital equipment (without prior approval)
- Cash advances
- Catering services
- Cell phones/pagers (without prior approval from the Business Office)
- Consultant/Contractual services, salaries/wages/benefits
- Curriculum materials (without prior Curriculum Department and/ or Music Department approval)
- Entertainment, gifts, donations
- Fuel for personal vehicle
- Furniture
- Gift certificates/cards
- Lodging charges to 3rd party vendors (i.e., hotels.com)
- Meals while in travel status is prohibited, with the exception of meals during student trips.
- Personal or other non-district purposes
- Room service/food charges
- Technology capital equipment (without prior approval from the Technology Department, to assure compatibility with existing district systems and the ability of the district to provide technical support)

If you are in doubt whether a purchase is acceptable, **don't make it!**

For any transactions which do not meet the spending controls listed above, the card custodian must first contact the Business Office Procurement Card Administrator or Executive Director, Business Services for assistance. **Principals/Supervisors do not have the authority to make exceptions.**

COMPLETING A PROCUREMENT CARD TRANSACTION

Follow these general guidelines when using a procurement card to make a purchase. **When using a procurement card for travel expenses, please first refer to the Walla Walla School District Travel Planning Guidelines**, which are included with the Travel Expense Voucher form - located on the Business Office website. When making purchases using federal funds, first refer to the Bid Requirements Policy & Procedure No. 6220.

1. Obtain approval from your supervisor for expenditure of district funds.
2. If using a building/department procurement card, check out a card from the card custodian by signing the Procurement Card Sign Out Sheet and assuring a signed Procurement Card User Agreement is on file with the card custodian.
3. The card user is required to carry their Walla Walla School District identification badge when using building/department procurement cards, because the back of the card says "See School District ID" in place of a personal signature.
4. For face-to-face transactions, provide the vendor with your procurement card plastic.
5. For telephone orders you must be able to secure an itemized receipt from the vendor the same day as the transaction. If the vendor cannot guarantee these criteria, you cannot complete the transaction.
6. For internet orders:
 - **KNOW YOUR VENDOR** whenever possible and be very aware of 3rd party vendors. (Procurement card charges to third party vendors, such as hotels.com, are prohibited as they cannot guarantee government rates. **Make sure you are speaking directly with the hotel.**)
 - Inquire or read their return policy before ordering.
 - Shop at secure websites. You can tell when you are dealing with a secure website by looking at the top of your screen where the website address is displayed. You should see https:// The "s" that is displayed after "http" indicates that the website is secure. Often you do not see the "s" until you actually move to the order page on the website.
 - If the online vendor does not have this indicator it is not a safe vendor and you cannot make the purchase.
 - Make sure you can print an itemized receipt when your order is complete.
7. **Never fax a copy of your procurement card or account number.**
8. The vendor is paid immediately by means of the procurement card.
9. All original, itemized receipts must be returned to the card custodian immediately upon return of the procurement card. Loss of any receipt will result in signing an Affidavit of Lost Receipt form. Repeated incidents of lost receipts constitutes misuse and will result in loss of procurement card privileges.
10. Any receipts which include lodging charges that exceed the government rate must include a copy of the conference brochure or a statement that explains the reason for exceeding the rate. See the district's Travel Planning Guidelines for more information.
11. Card user must not send procurement card invoices to the Accounts Payable Department for payment, as this may result in a double payment (one from Accounts Payable and one from the procurement card). Be sure the vendor is also aware of this.
12. Card custodian shall keep all procurement card receipts in the procurement card binder's front pocket, in a secured location until submitted with the monthly statement.

SUPPORTING DOCUMENTATION

Retaining transaction documentation is critical for the reconciliation process and audit requirements of the District. Receipts, order confirmations, online order reference numbers, work orders, etc., must be retained for each transaction. **EACH TRANSACTION MUST HAVE SUPPORTING DOCUMENTATION - NO EXCEPTIONS.** Failure to provide adequate support documentation is grounds for immediate loss of procurement card privileges.

ITEMIZED RECEIPTS

ITEMIZED RECEIPTS ARE REQUIRED FOR ALL TRANSACTIONS. You may receive two receipts for a single transaction. Below is an example of a transaction with two receipts. The first is an itemized receipt that lists the purchase of a stapler and a pen. The second receipt in the example only shows the total. The second receipt is not itemized and is not an acceptable form of documentation. If you are not sure which receipt to remit, please remit both receipts. **MAKE SURE YOU HAVE AN ITEMIZED RECEIPT. IF YOU DID NOT RECEIVE AN ITEMIZED RECEIPT UPON PAYMENT YOU WILL NEED TO ASK FOR ONE. NO EXCEPTIONS.**

Itemized (required):

STAPLES OFFICE SUPPLIES	
Liberty Plaza Yakima WA 98901	#98776
1 Stapler	11.99
1 Bic Pen	1.29
SUBTOTAL	13.28
Sales Tax	1.05
TOTAL	14.33
Credit Card	14.33
Change Due	.00
00488 02 55 75576666M	
03/15/12 08:10PM	
Thank You	

Not-Itemized (not acceptable)

STAPLES OFFICE SUPPLIES	
Liberty Plaza Yakima WA 98901	#98776
Date:	Mar15'12 08:10PM
Card Type:	Visa/M.C.
Acct #:	xxxx xxxx xxxx 4578
Exp Date:	11/10
Auth Code:	056454
Check:	2910
John Doe Walla Walla School District	
TOTAL:	14.33
<u>John Doe</u> Signature	

ERRONEOUS DECLINES

There may be certain situations when a vendor receives a decline message when processing your procurement card transaction. If you do not know the reason (reasons may include card not being activated by cardholder or credit limit has been exceeded) for the decline, contact the Procurement Card Administrator at 509-526-6765 for assistance. If the purchase is being made outside of normal business hours, the employee must terminate the purchase and contact the Procurement Card Administrator during normal hours.

SALES AND USE TAX

Walla Walla School District is not a tax exempt entity. If the vendor doesn't charge tax and tax is applicable, then the district must submit any taxes owed directly to the Washington State Department of Revenue. Compensating Tax will be collected by the Accounts Payable Department at the time payment is issued to reimburse the procurement card imprest account.

RETURNS/CREDITS

If a purchased item needs to be returned for any reason, make arrangements with the supplier/vendor to have the item shipped/delivered to the vendor's place of business or warehouse. Most vendors will issue a RMA# (Return Merchandise Authorization number) which you should note on your documentation. Some vendors will issue a UPS call tag for the item(s). Keep a copy of any shipping documents used for returning merchandise. These documents should be retained in your files.

The vendor should issue a credit to your card account for any item they have agreed to accept for return. This credit will appear on a subsequent statement. **Under no circumstances should you accept store credit or cash in lieu of a credit to the procurement card account.**

DISPUTES & BILLING ERRORS

You should always attempt to resolve any disputes or billing errors directly with the vendor. In most cases the vendor will issue a credit to the card account. If an agreement cannot be reached with the vendor, you should contact the Procurement Card Administrator at 509-526-6765 and provide a reason for the dispute. The Procurement Card Administrator will file a Dispute Form with Bank of Montreal.

PROCUREMENT CARD RECONCILIATION FOR CARD CUSTODIANS

Card custodians must follow the district's Reconciliation Process instructions to approve and reconcile all transactions, and return all paperwork to the Procurement Card Administrator by the last working day of the month.

Procurement card statements are processed by the Bank of Montreal on the 20th of each month. Credit limits renew on the 21st of the month. On or after the 21st of the month (and before the last working day of the month), card custodians will access BMO *Spend Dynamics* and print the current month's statements for all of their cards.

Notes:

- * Card custodians not working for a period of time must not use their procurement card(s) if they will be unable to meet reconciliation requirements. All outstanding transactions must be reconciled prior to your absence. If you will be unable to do approvals due to leave, please notify the Business Office of the card number(s) you will not be available to review and the period of time you are unavailable.
- * DO NOT SHARE YOUR BMO *Spend Dynamics* ACCESS WITH ANYONE. Account number(s) and other confidential information are accessible at different levels.