

**GRANITE SCHOOL DISTRICT  
PURCHASING CARD PROGRAM**



**POLICIES AND PROCEDURES  
MANUAL**

Revised 01/04/2022

## 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, vouchers less than \$500.00, and certain open purchase orders.

All cards are issued at the request of your supervisor or manager. Card usage may be audited and/or rescinded at any time. **You are the only person entitled to use your card!**

This booklet provides the guidelines to utilize your Purchasing Card. Please read it carefully. Your signature on the enclosed Cardholder Agreement indicates that you understand the intent of the Purchasing Card and 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 you may begin using it immediately upon receipt. As you use the card, please contact your supervisor or one of the Purchasing Card Administrators if you have questions.

Record keeping will be essential to ensure the success of this Purchasing Card. 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

District Purchasing Card Administrator  
Jared Gardner  
Director of Purchasing – Ext. 4561  
Email: jbgardner@graniteschools.org

Accounting Purchasing Card Administrator  
Traci Peterson  
Accountant – Ext. 4306  
Email: tapeterson@graniteschools.org

### Accounting Secretaries

These secretaries review the p-card monthly activity reports. They are assigned to a segment of the alphabet based on the first letter of the last name.

<u>Assignment</u>	<u>Secretary</u>	<u>Extension</u>
A-D	Rebecca Johnson	0153
E-J	Heidi Brooks-Hanson	4305
K-P	Shasta Stoner	4304
Q-Z	Elizabeth (Liz) Garza	4303

### U.S. Bank Customer Service

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

## **Obtaining a Card**

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You must attend purchasing card training and we recommend that you read the Policy and Procedures section in its entirety before requesting 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/Agreement Form. 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. Your card will arrive 5-7 days after you submit your application.

When you receive your card, activate the card by calling the number on the sticker, then sign the back of the card. 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.

## **Using Your Card**

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### **General information**

- The Purchasing Card helps to eliminate the use of petty cash, vouchers for less than \$500.00, and many open purchase orders.
- 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.
  - Do: Utilize district and state contracts (available on the Purchasing Department web page)
  - Don't: Artificially split transactions
- The Purchasing Card is not intended to replace the current travel and entertainment policy.
- The card is not to be used for personal use.
- The Purchasing Card can be used for in-store purchases, internet, and telephone and fax orders.
- The Purchasing Card may be used for payment with all vendors who accept the Visa card throughout the United States and internationally.
- You are responsible for the security of your card and the transactions made with the card. The card is issued in your name and it will be assumed that any purchases made with the card will have been made by you. **Failure to comply with the guidelines established for this Purchasing Card may result in severe consequences, up to and including termination of employment.**

**Examples of when the Purchasing Card may be used:**

- Subscriptions, seminars, books, DVDs
- Office supplies and products not available in the warehouse
- Classroom manipulative
- Maintenance, repair, and operation products
- Preapproved travel expenses including hotel and car rental (Submit approved travel authorization form for employee travel with receipt).
- Conference registrations
- Postage (should only be purchased for emergency mailings)
- Student incentives (Gift cards can only be purchased for students. A log must be kept which demonstrates the gift card has been received by the student, signed for by the student, and submitted with the receipt).

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

- Any item exceeding \$499.00 in value
- Any merchant, product, or service normally considered to be inappropriate use of district funds
- Capital equipment
- Air travel and entertainment
- Stock items available through district warehouses or through approved ordering systems

Although items secured through blanket orders and negotiated contracts are not to be purchased through this Purchasing Card, specific accounts may be established with the help of your supervisor and Purchasing Card Administrator to release and pay for goods using this Purchasing Card. These charges must be set up independently from your general usage card.

**Some built-in restrictions**

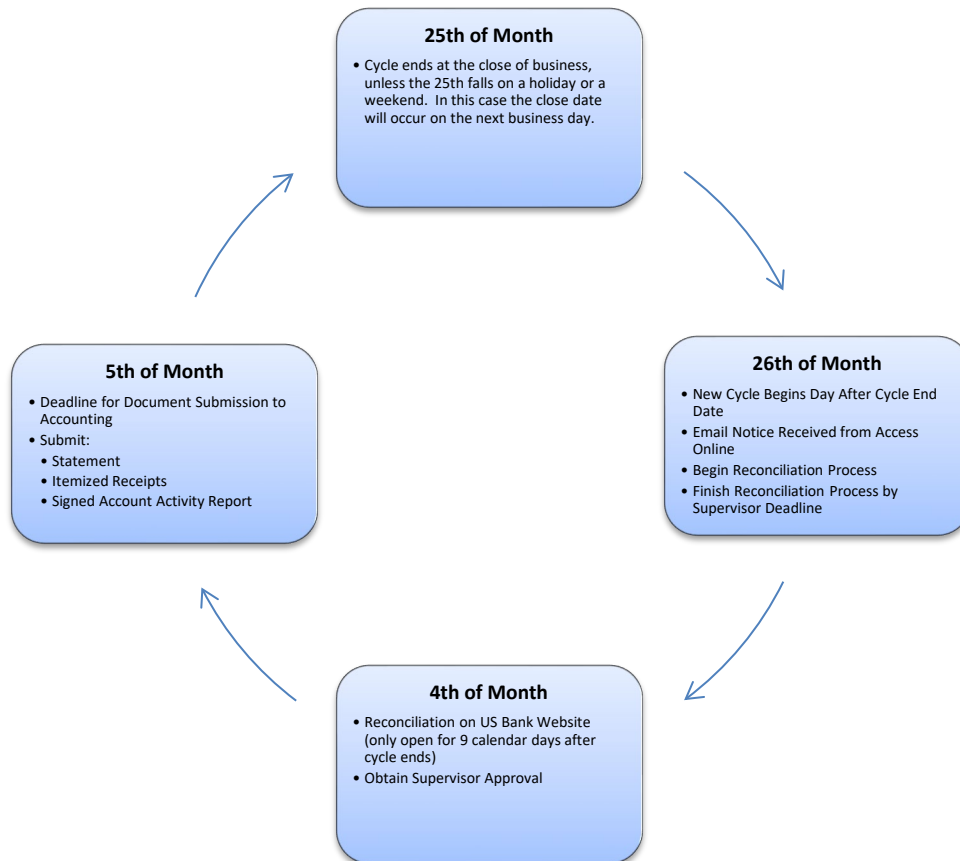
Each card has been assigned a \$499.00 per transaction limit and a \$4,999.00 per month limit. Each vendor is assigned a merchant category code (MCC) that is a general categorization of their type of business as part of authorization for using credit cards.

Some vendor's MCC codes have been "blocked" from usage in 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.

## Reconciling Your Card Account

### Monthly Reconciliation Cycle

Each cycle that you use your card, it is important that you adhere to the deadlines given in the diagram below. By doing this, you allow the program to maintain its efficiency. If the 25<sup>th</sup> falls on a weekend or a holiday, the cycle will end at the close of the next business day.



### 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 often received via an email or can be printed from the “Order” or “Account” section of their web page. This receipt is the only original documentation specifying whether or not sales tax has been paid against the purchase.

### Sales and use tax

Vendors will typically exclude sales tax to the district at the time of purchase. Each cardholder is responsible for the sales tax being paid by our district. Please check each receipt to verify that the vendor has not charged sales tax.

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.

### **U.S. Bank Access Online Webpage**

P-card holders will reconcile and manage their p-card account through the U.S. Bank Access Online webpage. This account can be created after your card has been received. The webpage is accessed at <https://access.usbank.com>.

### **Online Video Training**

Two screencast training videos have been created that will walk you through how to create an account and how to complete the reconciliation steps within Access Online. These videos can be accessed from the Purchasing Department internet page by following the link to the P-Card page and then clicking on the link for the “Training Videos”.

### **Specific cost accounting needs**

Each card has a single district default accounting code assigned. All of your transactions will post to this account by default. To direct charges to an account other than the default accounting code, you will utilize the Transaction Management tool in the U.S. Bank Access Online web portal. This reallocation function is available to you from the day the transaction posts until 9 days after the cycle close date. This is typically the 4th on a regular month.

### **Purpose of Purchase**

**For each transaction you must complete the “Purpose/Comment/Note” field** in the U.S. Bank Access Online web portal Transaction Management tool. Explain why the purchase was made or what it was used for. To access this field you click on the accounting code for the transaction.

### **The Cardholder Activity Report**

The cardholder activity report becomes an ongoing record of information about the transactions made on your card. The report is simple and easy to generate on the U.S. Bank Access Online web portal, and will require a minimum amount of time to maintain.

Individual receipts typically itemize merchandise purchased. The activity report allows management to review the types of goods and services purchased on the card and determine where the card is being used. It also provides a record of activity enabling you to reconcile your Monthly Reconciliation Statement. In addition, the receipts retained in conjunction with the log provide the documentation necessary should there be any type of audit.

This report is the record against which you will reconcile your Monthly Cardholder Statement. The report and receipts must be signed by your supervisor to indicate approval and review. The Accounting Department will store original documents. Please retain a copy of the information for your records.

## **Monthly Cycle Submittal Requirements**

In cycles that you utilize your card the following items **are due to the Accounting Department by the 5<sup>th</sup>** of the month following the cycle close date:

- Cardholder Activity Report- this should be signed by the cardholder and the supervisor with all transactions reviewed reallocated previously on U.S. Bank Access Online.
- Original Receipts-a sales tax free, itemized receipt for every transaction is required. Copies of receipts are not acceptable. If a receipt is lost, the cardholder has responsibility to contact the vendor for a replacement copy. If a copy cannot be obtained, please contact the Purchasing Card Administrator for instructions.
- Monthly Cardholder Statement-print this from the U.S. Bank Access Online web portal or submit the mailed copy.

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

## **Payment**

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

## **Problem Resolution**

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### **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. You may not have made the transaction, the amount of the transaction may be 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 will 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.

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 not an uncommon occurrence on 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.

## **Lost or stolen cards**

The Purchasing Card is district property and should be secured just as you would secure your 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.

## **Vendors who do not accept the card**

Anyone from whom you currently purchase goods or services should be considered a potential vendor of 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**

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- Vendors are paid within three days of your business transaction. Please indicate to vendors that you do not wish to be invoiced, as an invoice could result in duplicate payment.
- 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.
- 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 Purchasing Card Log accurately and always retain your sales tax free, itemized receipts!
- In addition, random audits may be conducted for card activity, retention of receipts/sales slips, as well as for your Purchasing Card Log. Consequences, ranging from suspension of cards to termination of employment, will be invoked for improper use of the Purchasing Card.
- We continue to improve the way we conduct business. Your use of this Purchasing Card in conducting your daily business can help us 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 Administrator.