

## Article VI.C.2. Purchasing Card Program

### A. Purpose

The purpose of the Purchasing Card is to establish a more efficient, cost-effective method of purchasing and payment for small-dollar transactions (petty cash, pay vouchers for less than \$500.00, etc.).

### B. General Provisions

1. The Card is issued in the employee's name but is the property of the District and may only be used for authorized District purchases.
2. The named employee is responsible for the security of the Card and all transactions made with the Card.
3. Failure to comply with the guidelines established for this Card may result in severe consequences, up to and including termination of employment.
4. Card usage may be audited and/or rescinded at any time.
5. Card limits are \$499.00 per purchase and \$4,999.00 per month or as set by the Purchasing Card Administrator.
6. If limits are exceeded, the purchase will be denied at the point of sale.
7. The bank through which the program runs is selected in accordance with State guidelines.

### C. Obtaining a Card

1. All Cards are issued at the request of an employee's supervisor and the approval of the Purchasing Card Administrator (Director of Purchasing).
2. The employee must go through a district authorized training session on the Purchasing Card Policies and Procedures before a Card can be received.
3. The Purchasing Card Administrator and the Purchasing Card Payment Administrator (Accountant) are responsible for the training sessions on the Purchasing Card Policies and Procedures.
4. The Purchasing Card Administrator will maintain a secured file of all approval forms and their corresponding account numbers.

D. Purchasing Card Log

1. Each Card holder is required to keep a *Purchasing Card Log*, which becomes an ongoing record of information about the transactions made on the Card.
2. The Log provides
  - a. a record for management to review the types of goods and services purchased with the Card and determine when the Card is being used and
  - b. a record of activity which enables the employee to reconcile the monthly statement.
3. All Card purchase receipts will be retained with the log to provide necessary documentation for sales tax audit purposes.
4. The original log and receipts must be signed by the supervisor to indicate approval and review and then be forwarded to the Purchasing Card Payment Administrator each month. The employee retains a copy.

E. Card Payments

1. The Card carries corporate, not individual, liability.
2. Invoices will be paid by the Accounts Payable Department and not from personal funds.
3. The Card does not impact the employee's personal credit rating.

F. Transaction Errors and Disputes

1. When items on the statement do not correlate with the entries in the log or the retained receipts, the employee is responsible to contact the supplier involved to resolve the error.
2. If the supplier does not agree that an error has been made, the employee shall complete a customer service dispute form and submit it to the bank.
3. The employee has sixty (60) days after the statement date to contact the bank regarding a disputed transaction. The bank has ninety (90) days from the date of notification to resolve the dispute.
4. If an audit is conducted on an account, the employee shall produce receipts and/or proof that transactions occurred. If an error is discovered, the employee is responsible for showing that the error or dispute resolution process was initiated and completed.

G. Lost or Stolen Cards

1. If the Card is lost or stolen, the employee shall immediately notify the Purchasing Card Administrator and the bank's Customer Service Department.
2. Upon receipt of this notification, further use of the Card will be blocked.