

P-Card Program

Procurement Visa Cards

Cardholder's Manual

Provo City School District

Checklist for New Cardholders

- Carefully read and review the entire Cardholder's Manual
- Initial each page of the Cardholder's Manual
- Return the original copy of the manual, with each page initialed, to District Purchasing
- Keep a copy of the manual for reference
- Complete the PSCD Cardholder Agreement Form
- Meet with District Purchasing to determine the card monthly limit and any annual limit
- Fill out the PCSD P-Card Application Form
- Review District Purchasing Policy
- Attend a Training Session with District Purchasing (required before you can obtain your card)
- All paperwork should be submitted at this time

All of the requirements above must be met before the cardholder can begin participating in the PCSD Procurement Card Program

Welcome to the P-Card Program!

Provo City School District

Overview The Provo City School District provides the P-Card program to its employees as an alternative method for making payment for purchases. The card will simplify the payment process and reduce overall costs by decreasing the number of limited purchase drafts, purchase requisitions, purchase orders, petty cash transactions and other cumbersome forms of purchasing activity. *The purpose of this program is to provide a timely payment method for organizational needs and to reduce the resources needed to manage small purchasing transactions.*

Please read this manual in its entirety. The Cardholder Manual provides information regarding the P-Card process, approved purchases, supplier acceptance, record retention, monthly reconciliation and additional program information.

Use of Public Funds One of the exciting aspects of the P-Card program is its use of current technology and purchasing methods. Nonetheless, it is a payment method used for expenditure of public funds. *Improper use of this card will be considered misappropriation of district funds. This may result in disciplinary action, up to and including termination of employment.* It is the cardholder's responsibility to strictly adhere to the policies and procedures outlined in this manual.

To Obtain A Card To obtain a card, potential cardholder's should follow the checklist on the cover of this manual. All potential cardholders are required to attend a formal training session conducted by the D.O. business administration office. *This is for your protection* as well as for the prevention of misuse of public funds.

Cardholder Training *All new cardholders will be required to attend a cardholder's training session.* [Meet with District Purchasing for cardholder training.](#) Participation in the P-Card program requires your attendance at one of these training sessions.

P-Card E-Mail Communications As technology progresses and as the P-Card program develops throughout the district, many changes are likely to occur. This evolutionary process will encompass changes in policy and procedures as well as how the card is to be used appropriately. Success of the program is dependent upon each cardholder's awareness of current policies, procedures, and acceptable practices with the card. Communication regarding any changes may be communicated to each cardholder via the district electronic mail communication system, and each cardholder should give attention to these messages. Cardholders and cardholder supervisors should ensure that P-Card use is aligned with any changing district policies and procedures pertaining to the P-Card program.

To Activate the Card When you receive your card, call the 1-800 telephone number on the label attached to your card to activate its use, sign the back and 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 approved district purchases.

General Information The program helps to eliminate the use of petty cash, cash advances, and the use of personal funds reimbursed by an expense report.

The program is not intended to avoid or bypass appropriate purchasing or payment procedures. The program is intended to complement Provo City School District's existing processes.

The card is not to be used for personal use. Any requests made to be reimbursed for personal expenditures made using a P-Card shall be denied. Also, personal expenditures made using a P-Card may result in termination of cardholder privileges.

The program can be used for both purchases at a merchant location as well as for on-line, mail, or fax orders. The U.S. Bank Purchasing Card may be used at any supplier who accepts the Visa® card throughout the United States or any other country.

Employees are required to supply their social security number to receive a card. This number is used to activate a newly delivered card. It protects both the cardholder and the district from the use of a lost or stolen card. U.S. Bank advises that if any employee is unwilling to provide this number, they should not be allowed to have a card.

You are responsible for the security of your card(s) and the transactions made with the card(s). 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. A card used out of compliance with the guidelines established for this program will result in severe consequences, up to and including termination of employment.

Using the Purchasing Card To make a purchase, the cardholder may visit, call, fax, email or order via the internet. Request that the supplier charge the purchase to your purchasing card or card number. For frequent purchases with a specific supplier, providing your card number for their files would better facilitate transactions.

For phone or fax orders, instruct the supplier on specific shipping instructions. Your name and mail code should be placed on the shipping label. Further instruct them to write “Visa Purchase” on the shipping label or package.

Just-In-Time Ordering/Inventory (JIT) The P-Card is one of the keys that can provide efficiency in the supply ordering process. One of the major efforts occurring in the purchasing arena is the idea of connecting schools directly with suppliers under a district-wide contract. The district negotiates the best contract possible with vendors, and then vendors work directly with schools, under the conditions of the “blanket” contract, in the ordering, payment, and delivery of goods directly to the school—bypassing the time and costs associated with using a district warehouse in the supply chain. This provides several advantages:

- The P-Card provides the mechanism for ordering and payment — making it easier to process transactions directly with suppliers.
- Supplies are delivered straight to the school—bypassing the warehouse.

Non-approved Purchasing Card Uses

- Any personal use
- Raw material inventory and hazardous materials
- Any item exceeding the purchase limits for your card
- Any merchant, product, or service normally considered to be inappropriate use of district funds
- Stock items available through Alpine SD warehouse or through approved ordering systems/programs
- Capital equipment and Fixed Assets/Furniture

Termination of Cardholder Privileges: Your cardholder privileges may be terminated by the school district at any time for the following reasons:

- For purchases identified on the Non-approved Purchasing Card Uses list (see above)
- For purchases which violate school district policies and/or state procurement laws
- For failure to maintain adequate documentation for supervisory and audit purposes—i.e. receipts, statements, reports, etc. This includes meeting all reporting and procedural deadlines outlined in this policy.
- For failure to protect the district’s funds from payment of Utah sales tax
- For failure of the cardholder to maintain purchases within the scope of the district account codes used to account for P-Card purchases.
- Any time the school district administration believes the cardholder is misusing or mismanaging public funds through use of the card
- Any time the school district administration believes the cardholder’s responsibilities do not require use of the card

The Superintendent or District Business Administrator has the right to terminate cardholder privileges at any time without cause.

Purchasing Card Program Restrictions

Monthly Credit Limit. Each card must be assigned an individual monthly credit limit. Each cardholder’s supervisor shall determine this monthly limit, and the monthly limit is identified by the supervisor on the PCSD P-Card Application Form. The limit should be based on previous purchasing activity. If you find over time that the limit is too low to accommodate your monthly requirements, please contact your administrator/supervisor to re-evaluate your monthly limit. If your supervisor agrees that it would be appropriate to raise your monthly limit, the supervisor should contact the district plan administrator to have the appropriate changes made. U.S. Bank will not change your monthly limit without the approval of the district Plan Administrator. The monthly cycle ends on the 12th of each month. You will receive a statement from U.S. Bank 3-5 days after. Also, your account monthly limit will be reset to zero on the day after the cycle date.

Transaction Limit. Each card must be assigned a transaction limit. Each cardholder’s supervisor shall determine this

transaction limit, and the transaction limit is identified by the supervisor on the PCSD P-Card Application Form. The purpose of this limit is to provide a ceiling for purchasing, and to prevent the employee from making individual expenditures beyond the limit determined by the supervisor.

Some suppliers have been “blocked” from usage in the program. If you present your card to any of these suppliers, the transaction will be electronically declined. It is likely that any supplier 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. U.S. Bank Customer Service will determine if you were declined because of merchant blocking or having exceeded the monthly credit limit or single-purchase limit imposed on your card.

Responsibility, Reconciliation, and Payment The U.S. Bank Purchasing Card Program carries corporate, not individual, liability. Although your name will appear on the actual credit card, your credit card is part of a district-wide contract which Provo City School District has with U.S. Bank. Consequently, Provo City School District retains all responsibility and obligations for making payment. In no way will the use of this credit card affect the cardholder’s personal credit rating. The credit card carries both the logo of Provo City School District and the cardholder’s name. For communication purposes, U.S. Bank may need to contact an individual cardholder at any time for risk management purposes—such as if U.S. Bank believes a card has been lost or stolen, and the cardholder is unaware of the situation.

The district will make an electronic payment to U.S. Bank for each cardholder’s monthly bill. You will not be required to ensure that your monthly bill is paid. This is obviously a big advantage and can help you to avoid many of the cumbersome paperwork that is associated with making a requisition for a check with the district office.

However, you will be required to submit a report each month to the district business administration office. This report provides a complete accounting of your monthly expenditures and identifies the budget account codes to which you expenditures will be charged to. Your supervisor’s signature will be required to verify his/her approval of your monthly purchases upon receipt of your statement. The program does not impact your personal credit rating in any way.

You are required to obtain all receipts for goods and services purchased. If you initiate purchases via phone or mail, ask the supplier to FAX a copy to you. If the supplier is unable to FAX a copy of the receipt, then have them include the receipt with the goods when the product is shipped to you. This receipt is the only original documentation specifying whether or not sales tax has been paid against the purchase.

Each cardholder will receive a statement identifying each transaction made against the card during the previous billing cycle. The statement will be mailed to you at the address identified on your PCSD P-Card Application form. When you receive your statement, review it for accuracy, staple the sales receipts that you have retained during the purchasing cycle to the back of the statement in the order in which they appear on the statement. Finally, send your reconciled statement and attached receipts to your supervisor for review and approval. Your supervisor will sign and validate your purchases were approved and then forward the information to the D.O. business administration department (see Monthly Procedures section of this manual for more details). The statement will be retained for audit purposes.

If Your Records and Statement Do Not Match There may be occasions where you find items on your statement that do not correlate with your receipts. You may not have made the transaction, the amount of the transaction is incorrect, or you have a quality or service issue.

Your first option is to contact the supplier/merchant involved to try to resolve the error. If the supplier agrees that an error has been made, s/he will credit your account. If you are keeping a log, highlight the transaction in question on your log as a reminder that the item is still pending resolution.

If the supplier does not agree that an error has been made, contact U.S. Bank Customer Service at 1-800-344-5696.

State that you would like to dispute a charge on your card. You will be asked to submit the information in writing so that U.S. Bank can research the disputed item. You may fax the completed form to your representative at U.S. Bank. The amount of the next invoice will be reduced by the amount of the disputed item until the transaction in question is resolved.

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 to show that the error or dispute resolution process has been completed.

Lost or Stolen Cards The U.S. Bank Purchasing Card is district property and should be secured just as you would secure your personal credit cards. If your card is lost or has been stolen, contact U.S. Bank Customer Service immediately at 1-800-3445696, and notify the Plan Administrator. *Your verbal request must be followed up with written confirmation of cancellation by mail or fax.*

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. This call can also be made if your statement is lost or stolen.

Utah Sales Tax Provo City School District is exempt from paying Utah sales tax. The sales tax exemption number can be obtained from the school financial secretary or district accounting department. *It is the responsibility of the cardholder to ensure that no sales tax is paid for purchases made with the card.* The cardholder should ensure that the sales tax exemption I.D. number is given to the vendor at the time of the purchase to avoid a charge for sales tax. *Should the cardholder fail to meet this requirement, cardholder privileges will be terminated.*

Supplier Acceptance Anyone from whom you currently purchase goods or services should be considered a potential supplier in the U.S. Bank Purchasing Card Program — even if they do not currently accept Purchasing Cards. The program is not restricted to retail suppliers. We encourage suppliers to become involved in the U.S. Bank Purchasing Card Program as this enables cardholders to more effectively use the program. Suppliers are paid within three days of your business transaction.

Suppliers should work through the Program Administrator but may contact U.S. Bank, their local bank or financial institution to become Visa capable. Any of these institutions will be able to set a supplier up to process all types of charge card transactions, from any district or individual.

Suppliers should make every attempt to ensure that the cardholder receives a sales slip in lieu of an invoice that would have normally been sent to Accounts Payable. This documentation must include an itemized list of the purchase(s), including the amount of each line item with any sales and/or freight tax. In doing so, you will avoid any instance of duplicate payment.

What if I Lose a Receipt? If a sales slip/receipt is lost, complete a P-Card Missing Receipt form and attach it to your statement when submitting your monthly card statement to the district office. The district is responsible for maintaining a complete audit trail for legal compliance, and this form should be filled out as completely and accurately as possible. *Caution:* Failure of the cardholder to safeguard the appropriate documentation on a continual basis—i.e. sales receipts, statements, etc.—will result in termination of cardholder privileges.

Monthly Procedures

Each month, the following events will occur for all cardholders; and all cardholders will be required to do the following:

- 1) 12th : U.S. Bank will mail you a statement for your card's activity for the past month
- 2) 15th – 18th : Receive a mailed monthly statement from U.S. Bank for your review
 - Gather all receipts for purchases and compare to monthly statement
 - Contact U.S. Bank 1-800 number to resolve any disputes
 - Complete the MONTHLY CARDHOLDER CHECKLIST form. This form can be downloaded from the district internet web site.
 - Complete a Monthly Transfer Report to allocate the total amount charged on your P-Card to your district budget accounts. This report is a Microsoft Excel spreadsheet. This form can be downloaded from the district internet web site.
 - Submit all items to your supervisor for review and approval
 - Supervisor submits all items to the district business administration envelope via the P-Card submission envelope by the 25th of each month.

3) *25th Deadline:* Your monthly P-Card envelope should be received at the district business administration office no later than the 25th of each month. *Failure to meet this deadline may result in termination of cardholder privileges.*

It is suggested the cardholder keep some sort of log as an up-to-date record of their P-Card expenditures and the district account codes used to allocate these expenditures. Methods currently being used include using Quicken and Excel software as well as a paper-based log system.

Keeping a log will provide you with up-to-date information that can help you manage your district office budget accounts

Year-End Deadline—June 30th

Each cardholder receives a billing statement as of the 12th of each month. This presents an accounting challenge for the July 12th billing statement to cardholders. Procurement Card purchases posted to your statement *on or before June 12* will be charged to the current fiscal year. (we suggest no use between the 8th and the 12th to avoid confusion and late postings to your Pcard) – schedule delivery of the goods before June 30. Procurement Card purchases posted to your statement *on or after June 13* will be charged to the next fiscal year – schedule any delivery of goods for these P-card purchases after June 30.

Supervisor Responsibility--Overspending

Ultimately, it is the responsibility of the supervisor to prevent overspending on budget accounts. Supervisors should institute appropriate controls at each level to prevent overspending of assigned D.O. budget accounts. These controls include closely reviewing employee p-card expenditures and monitoring the nature and amount of such expenditures.

In Summary

The program is designed to be simple and easy to use, providing the goods you need to perform your job. As we continue to improve the way we conduct business, leading to greater cost savings and processing efficiencies, your use of this program will be a significant component in Provo City School District's overall success. If you have any questions about the program or need additional information, please contact the district business administration office.

Frequently Asked Questions

- 1. How do I get my card?** Answer: Once you have completed and signed the Purchasing Card New Account and Change Record, obtained your supervisor's signature and turned your application in to your district's Purchasing Card Program Administrator, your card will be sent directly to the address indicated on your application. Allow 3–4 weeks for delivery.
- 2. How do I use my card?** Answer: Once you receive your card in the mail, simply call the 1-800 number located on the affixed sticker. Once activated, your card should be used in place of your previous purchasing method, for all appropriate items as indicated by in your Policy and Procedures Manual.
- 3. What should I do if my card is lost or stolen?** Answer: Immediately call the U.S. Bank 24-hour customer service toll free number at 1-800-344-5696. Your Program Administrator should also be notified. Any verbal requests must be followed up by a written confirmation (by mail or fax) requesting card cancellation.
- 4. How do I reconcile my statement?** Answer: Match your receipts against your monthly statement to ensure that the two match. If there is a transaction, which needs to be disputed either call the merchant to reconcile or call U.S. Bank Customer Service at 1-800-3445696. The U.S. Bank Customer Service Representative will walk you through the process.

Agreement to Accept the U.S. Bank Visa Purchasing Card

The U.S. Bank Visa Purchasing Card represents our district's trust in you. You are empowered as a responsible agent to safeguard district assets. Your signature below is verification that you have read the employee handbook and agree to comply with it as well as the following responsibilities. It also acknowledges that you have received the U.S. Bank Visa Purchasing Card.

1. I understand the card is for district-approved purchases only, and I agree not to charge personal purchases.
2. Improper use of this card can be considered misappropriation of district funds. This may result in disciplinary action, up to and including termination of employment.
3. If the card is lost or stolen, I will immediately notify U.S. Bank by telephone. I will confirm the telephone call by mail or facsimile with a copy of the notification to the Plan Administrator.
4. I agree to surrender the card immediately upon termination of employment, whether for retirement, voluntary or involuntary reasons.
5. The card is issued in my name. I will not allow any other person to use the card. I am considered responsible for any and all charges against the card.
6. All charges will be billed directly to and paid directly by the district. The bank cannot accept any monies from me directly, therefore any personal charges billed to the district could be considered misappropriation of district funds.
7. As the card is district property, I understand that I am required to comply with internal control procedures designed to protect district assets. This may include being asked to produce the card to validate its existence and account number. I may also be asked to produce receipts and statements to audit its use.
8. I will receive a Monthly Reconciliation Statement, which will report all activity during the statement period. Since I am responsible for all charges (but not for payment) on the card, I will resolve any discrepancies by either contacting the supplier or the bank. The charges made against my card are automatically assigned to the cost center assigned to the card as specified by management. This code cannot be changed without management involvement. When changed, the new accounting code will not affect any charges made prior to the change, but will affect future charges.
9. I understand the U.S. Bank Purchasing Card is not necessarily provided to all employees. Assignment is based on my need to purchase materials for the business. My card may be revoked based on change of assignment or location. I understand that the card is not an entitlement nor reflective of title or position.

Employee Signature

Date

Approving Supervisor Signature

Employee Printed Name

Date

Approving Supervisor Printed Name