

PURCHASING CARD PROGRAM POLICY AND PROCEDURE MANUAL



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Purchasing Card Program – Policies and Procedures – Revised 3/20/18

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PURPOSE

To provide guidelines on participation in the Leon County School Board Purchasing Card Program and establish procedures to meet the following goals:

- Provide an efficient and cost effective method for procuring goods and services required by schools and departments;
- Reduce time and money spent processing high volume, low dollar transactions;
- Ensure purchasing card procurements are in accordance with Board policies, Florida Statutes, and Florida Administrative Code (DOE) Rules;
- Ensure the Board bears no legal liability from inappropriate use of purchasing cards;
- Provide for disciplinary action if the purchasing cards are misused.

BACKGROUND

The Leon County School Board is making available to certain District employees delegated authority to make minor purchases directly through a "purchasing card" system. This will allow schools/departments flexibility to purchase materials and supplies.

Certain controls have been developed for the purchasing card that do not exist in a traditional credit card. These controls ensure that the card is used only for specific purchases and within specific dollar limits. Purchasing Card forms and Internal Purchasing Card forms can be found on the Leon County Schools Purchasing Department Bookkeepers Site.

1. **DEFINITIONS**

- Account Clerk (Bookkeeper) Employees designated by Principal/Cost Center Administrator to be responsible for the reconcilement, documentation and account coding of purchasing card transactions for a specified group of cardholders.
- Approving Administrator Principal or Site Administrator whose signature will appear as authorization to issue a purchasing card and set single transaction and billing cycle limits.
- **Bank** The financial institution that has entered into an agreement with the Board to provide the Purchasing Card Program.
- **Billing Cycle** The monthly billing period that begins on a set date of each month and ends on the same day the following month, with a 25 day grace period before payment is due.
- **Capital Equipment** Assets with a cost of \$1,000 or more and a useful life of one year or more, including but not limited to furniture, equipment, vehicles, and computer hardware.
- Cardholder Individual named on the card that is authorized to make purchases.
- **Cardholder Agreement** Credit card issuer's terms and conditions that define cardholder use of the purchasing card.
- Merchant Category Code (MCC) A method to control where spending is allowed. All Visa merchants are assigned an industry-specific MCC code, which the District can restrict from purchasing card access. Once an MCC code is blocked, all merchants within that category will be declined.
- Monthly Limit The maximum dollar value of charges a cardholder is authorized to make during the billing cycle.
- **Purchasing Card (PCard)** A charge card issued to an employee for the purpose of making authorized purchases on the Board's behalf. The purchasing card will have the Board's name, tax exemption number, cardholder's name, and the expiration date of the card.

- Purchasing Card Administrator (PCA) The Purchasing Director or designee. This person is responsible for the administration of the Purchasing Card Program. The Purchasing Card Administrator can be reached via e-mail at kaili@leonschools.net or at (850) 488-1206.
- **Single Transaction Limit** The maximum value of charges a cardholder is authorized to make during a single transaction.
- **Superintendent** "Superintendent" means the Superintendent or designee.

2. PROCESS

- **A.** The Approving Administrator authorizes the issuance of a purchasing card to an employee.
- **B.** The Purchasing Card Administrator coordinates issuance of a purchasing card to an employee.
- **C.** A cardholder presents goods or services for purchase to a vendor who accepts Visa. The vendor does not need to be in the Skyward database.
- **D.** The vendor processes the card information to obtain authorization for the purchase.
- **E.** The bank receives the transaction information electronically from Visa.
- **F.** The bank verifies the account number and spending control limits on the card.
- **G.** The cardholder receives the merchandise and a copy of the receipt.
- **H.** The cardholder maintains the original receipt for monthly remittance to the account clerk.
- **I.** The vendor receives payment for the merchandise within three (3) days.
- J. The account clerk receives a monthly memo statement for distribution to each cardholder.
- **K.** The cardholder reconciles all purchases and credit activities to the memo statement, attaches all original merchant documentation and forwards it to the account clerk who will complete the purchasing card expense summary and assign the account coding strips.
- **L.** The account clerk forwards all of the documentation to the approving administrator who will sign the expense summary and/or the memo statement.
- **M.** The account clerk forwards the reconciled memo statements, along with supporting documentation, to Finance (Accounts Payable) within ten (10) business days from the billing date.
- **N.** Accounts Payable receives a monthly consolidated statement for the Board.
- **O.** Accounts Payable pays the consolidated statement to the bank.

3. DUTIES AND RESPONSIBILITIES

- **A. CARDHOLDER** is responsible for the following:
 - 1. Making purchases that are in compliance with Board policies and procedures;
 - 2. Holding and securing the Purchasing Card and card number;
 - **3.** Informing vendor of tax exempt status prior to processing sale transaction;
 - 4. Ensuring merchant documentation is complete and available for every transaction;
 - **5.** When the description of the item(s) purchased is not clear on the receipt, the cardholder must provide that description on the back of the receipt or on the optional transaction log.
 - **6.** Receiving and inspecting all ordered materials and services;
 - 7. Identifying and handling disputed charges and reporting discrepancies to vendor;
 - 8. Matching receipts with the monthly statement;
 - **9.** Signing the purchasing card expense summary and/or monthly statement;
 - **10.** Reviewing/verifying charges with the account clerk;

- 11. Submitting statements and receipts to the account clerk by department deadline;
- **12.** Immediately reporting a lost or stolen card by calling the customer service number listed on the back of the purchasing card and notifying the Purchasing Card Administrator via email; and,
- **13.** Turning in the purchasing card to the Purchasing Card Administrator upon transfer, resignation, or termination.
- **B. APPROVING ADMINISTRATOR** is responsible for ensuring the integrity of the Purchasing Card Program by:
 - Designating the account clerk and communicating the same to the Purchasing Card Administrator;
 - 2. Requesting purchasing cards and establishing pre-set limits; the standard pre-set limits are not to exceed \$1,000 (single transaction) and not to exceed \$8,000 (monthly total) but may be adjusted if prior approval is received from the Purchasing Card Administrator;
 - 3. Ensuring authorized cardholders are aware of purchasing card policies and procedures;
 - **4.** Reviewing all cardholder monthly statements that include transactions during the billing cycle;
 - **5.** Approving and signing the cardholder purchasing card expense summary and/or memo statement;
 - **6.** Evaluating the need to cancel or reissue cards and annually providing a list of all authorized cardholders to the Purchasing Card Administrator;
 - **7.** Reporting violations of the Purchasing Card Program to the Purchasing Card Administrator; and,
 - **8.** Informing the Purchasing Card Administrator of cardholder transfer, resignation, or termination;
- **C. ACCOUNT CLERK** is responsible for the following:
 - 1. Reviewing the monthly cardholder statement with cardholder;
 - 2. Assisting in the handling of disputed items;
 - 3. Completing the purchasing card expense summary assigning account coding strips; and,
 - **4.** Forwarding the reconciled purchasing card expense summary, memo statements and supporting documentation, to Finance (Accounts Payable) within ten (10) business days from the billing date.
- **D. PURCHASING CARD ADMINISTRATOR** is responsible for the following:
 - 1. Reviewing and communicating to the bank all purchasing card requests and changes to card limits;
 - **2.** Training cardholders;
 - **3.** Coordinating the issuance and cancellation of cards;
 - **4.** Maintaining program policy and procedures, cardholder manuals and all cardholder Application Forms;
 - **5.** Maintaining a list of all current cardholders;
 - **6.** Pursuing supplier discount opportunities;
 - 7. Evaluating purchasing card feedback from suppliers;
 - 8. Coordinating and maintaining internal controls;
 - 9. Coordinating program policy issues;

- **10.** Participating in ongoing program reviews;
- 11. Participating in resolving billing disputes;
- **12.** Monitoring program for compliance with all school district policies and procedures, and recommending disciplinary action to Approving Administrators; and,
- **13.** Monitoring the program's aggregate monthly spending relative to the aggregate established credit limit with the bank for potential required increases.

E. FINANCE (Accounts Payable) is responsible for the following:

- Receiving approved monthly statements and supporting documentation from all account clerks;
- 2. Auditing receipts and charges;
- 3. Paying the consolidated statement;
- 4. Filing monthly statements and supporting documentation; and,
- **5.** 1099 reporting.
- F. INTERNAL AUDIT is responsible for conducting periodic audits and reporting findings.
- **G. BANK** is responsible for the following:
 - Activating and deactivating purchasing cards at the request of the Purchasing Card Administrator;
 - 2. Paying suppliers;
 - 3. Controlling pre-defined cardholder limits;
 - **4.** Providing monthly statements and reporting information;
 - 5. Providing duplicate copies of sales receipts in case of disputed charges; and,
 - 6. Providing customer service.

4. PROCEDURES

The principal/site administrator approving the assignment of a purchasing card will set two limits for each cardholder, a single transaction limit and a billing cycle limit. The maximum single transaction limit cannot exceed \$1,000 or the approved cardholder's limit, whichever is greater. Purchases over \$1,000, or the approved cardholder's limit, must be made by purchase order under the Board's purchasing policies and procedures unless previously approved by the Purchasing Card Administrator. Splitting charges to stay within the single transaction limit is considered abuse of the Purchasing Card Program and may result in revocation of cardholder privileges.

A. REQUESTING A PURCHASING CARD

- Purchasing cards will be issued to Board employees designated by the Approving Administrator to have a card.
- All requests for purchasing cards must be submitted by the Approving Administrator to the Purchasing Card Administrator on a *Purchasing Card Application Form* (Exhibit A). No credit checks are made against individual cardholders.
- **3.** The Purchasing Card Administrator will review the application and if approved coordinate the issuance of the purchasing card with the bank, and notify the approved cardholder of the next available purchasing card training session.
- **4.** The bank issues the purchasing card and mails it to the Purchasing Card Administrator.

- 5. The cardholder attends a mandatory purchasing card training session, signs the Cardholder Agreement Form (Exhibit B), and receives a purchasing card and a copy of the Purchasing Card Policies and Procedures manual.
- 6. The Cardholder Agreement Form will be retained in the Purchasing Department.

B. MODIFYING PURCHASING CARD LIMITS

All requests for modifications to cardholder limits must be submitted in writing by the Approving Administrator to the Purchasing Card Administrator. The Purchasing Card Administrator will review the request, and if approved will coordinate with the bank to process the increased limits.

C. CARD DESCRIPTION

The purchasing card has been uniquely designed to avoid confusion with personal credit cards. The LCS logo is printed on the face of the card and the card is embossed with the Board's name, the cardholder's name, an account number, tax exemption number and expiration date.

D. USING THE PURCHASING CARD - GENERAL INFORMATION

The cardholder may pick up supplies or services or place an order for these via telephone, facsimile or electronically. Internet purchases must be placed over a secured transmission. The supplies or services should be immediately available for pick up, shipment or delivery within the monthly billing cycle. Backorders may not be placed using the purchasing card.

When placing an order the cardholder will inform the merchant of the following information:

- 1. The purchase is tax exempt.
- **2.** The purchase is being made for Leon County Public Schools and therefore should be accorded any applicable discounts.
- 3. Provide sufficient and accurate delivery information; and,
- **4.** Request documentation showing description and cost of each item.

E. DISTRICT LEVEL PURCHASING CARD

Designated purchasing agents have purchasing cards and are able to facilitate approved transactions that exceed typical cardholder single transaction limits. Cardholders should submit a request in writing, approved by their site Administrator, to the Purchasing Card Administrator to procure goods or services in excess of their established limits via a district level purchasing card.

F. PROHIBITED PURCHASES

The purchasing card can only be used for Board authorized purchases. Personal use of the purchasing card is strictly prohibited. The cardholder is the only person authorized to use their assigned purchasing card. If your Approving Administrator questions a purchase you have made, you must substantiate its necessity or official use. Misuse of the purchasing card is subject to the immediate revocation of purchasing card privileges. Resolution of situations involving improper use of the purchasing card will be handled by the Purchasing Card Administrator in accordance with Board policies and procedures.

The following supplies and services **CANNOT** be purchased with the District level purchasing cards:

- 1. Personal items
- 2. Cash advances or cash related transactions
- 3. Gas and oil products

- **4.** Alcoholic beverages
- 5. Meals or entertainment (schools/departments may purchase with appropriate funding)
- 6. Building repairs
- 7. Telephone calls (with the exception of district-wide charges paid by Finance or Purchasing)
- 8. Capital Equipment (with the exception of Information Technology (IT) or other FF&E procured by the Purchasing Card Administrator or their designee)
- 9. Consultants/contractual services
- 10. Contracts requiring authorized signature
- 11. Service or maintenance agreements
- 12. Annual contracts
- 13. Medical services
- 14. Legal services
- Cellular phones and beepers to include service and equipment (with the exception of District-wide charges paid by Finance or Purchasing)
- 16. *Gifts or gift cards for staff; and
- **17.** Any other restrictions that may be placed by the Approving Administrator or Purchasing Card Administrator
- **G. MERCHANT CATEGORY CODES (MCC Codes)** a method to control where spending is allowed.

All Visa merchants are assigned an industry-specific MCC code, which the District can restrict from purchasing card access. Once an MCC code is blocked, all merchants within that category will be declined.

To make a purchase from a vendor that falls within a blocked MCC code, a written request should be submitted and if approved a temporary profile will be assigned to your card to facilitate the purchase.

Merchant Category Code (MCC) - Approved Purchases by Department/Site

Merchant Category	Purchasing / Finance	Transportation /Nutrition Svs	Maintenance	Schools	Admin. Offices
Contracted Services	NO	NO	YES	NO	NO
Publishing Services	YES	YES	YES	YES	YES
Airlines *	NO	NO	NO	NO	NO
Vehicle Rentals*	NO	NO	NO	NO	NO
Hotels & Motels*	NO	NO	NO	NO	NO
Utilities	YES	NO	NO	NO	NO
Retail Stores	YES	YES	YES	YES	YES
Clothing Stores	NO	NO	NO	YES	NO
Misc. Stores	YES	YES	YES	YES	YES
Service Providers	YES	NO	NO	NO	NO
Personal Svc. Providers (Dry Cleaning, etc.)	NO	NO	NO	YES	NO
Business Services	YES	YES	YES	YES	YES
Repair Services	YES	YES	YES	YES	YES
Entertainment	YES	NO	NO	YES	NO
Professional Services & Memberships	YES	NO	YES	NO	NO

*Except for authorized internal travel account purchasing cards or with prior approval from the Purchasing Card Administrator for travel using district level funds. (See the Internal Account Purchasing Cards manual, pg. 14 and district level travel request pg.17)

H. COMPLIANCE

Use of the purchasing card does not relieve you from complying with Federal, state, local laws, ordinances, regulations, or Board policies and procedures.

I. CONFLICT OF INTEREST

Cardholder will not make purchases from vendors that create a conflict of interest to include purchases from companies owned or operated by Board employees and/or their relatives or as otherwise defined in Board Policy 1129.

J. SALES & USE TAX

The District is exempt from paying any State of Florida sales and/or use tax, even if the purchase is made with the purchasing card. The District's sales tax exemption number is printed on the face of the purchasing card. It is the responsibility of the cardholder to make the vendor aware that the sales transaction will be tax exempt prior to processing the sale.

If the vendor charges sales tax, the cardholder must contact the vendor and obtain a credit equal to the amount of the sales tax. **Do not permit the vendor to issue cash to settle a sales tax error.** If you have a problem with any vendor about sales or any other tax, please contact the Purchasing Card Administrator.

K. DOCUMENTATION

Every purchasing card transaction must have valid and complete source documentation from the merchant. Valid source documentation includes:

- 1. A receipt from the merchant with merchant name, date of purchase, description, quantity and unit cost of each item purchased and total cost of the order.
- 2. A packing slip, listing individual items and cost for each, at the time of delivery.
- **3.** Order forms for dues, subscriptions, registrations, or similar items.
- **4.** An invoice/receipt showing credit card payment.

If the original documentation is lost, contact the merchant to provide a duplicate copy. If the merchant cannot provide the documentation, provide the above information along with a justification of the purchase and the loss of the documentation along with your purchasing card expense summary. Lack of original documentation is considered a cardholder violation which may result in revocation of purchasing card privileges and/or cardholder reimbursing the District for the full cost of the transaction.

L. FUNDING

Cardholders must follow the school/department's administrative funding procedures to ensure that sufficient funds are available **prior** to making a purchase.

When purchases are being made from "Federal Funds" or other special approved funds, it is the cardholders responsibility to know whether the purchase fits the guidelines of the Federal grant or authorized fund source. It is also imperative that the cardholder be fully aware of any and all deadlines associated with the Federal grant providing the funds. No purchases are to be made with a purchasing card, using Federal grant funds, after the last date to encumber as outlined by Finance when the project is first set up. If a cardholder makes a purchase from Federal dollars that is not appropriate for that grant, or if the purchase is made after spending

deadlines have passed, an alternate source of funds will have to be identified by the Approving Administrator or designee.

M. DECLINED TRANSACTIONS

Possible reasons for a purchasing card transaction to be declined are as follows:

- 1. The merchant's four (4) digit Merchant Category Code (MCC) is one of the District's excluded codes.
- 2. The transaction exceeds the single transaction limit and/or monthly billing cycle limits. Check the dollar amount of the cardholder's transactions to determine if the limits have been exceeded.
- **3.** The merchant, when ordering by phone, may have recorded the card number or expiration date incorrectly. Cardholder should verify the information with the merchant.

When unable to determine the reason for a purchasing card transaction to be declined, contact the Purchasing Card Administrator.

N. TRANSACTION LOG

Cardholder's are to keep a monthly purchasing transaction log for each billing cycle. Keeping track of all orders placed will allow monthly billing cycle limits to be tracked, follow-up on deliveries, order problems, partial shipments and other order related issues.

O. RECEIVING AND INSPECTING GOODS

Cardholder will inspect all goods immediately upon receipt. If there is a problem with the order contact the merchant immediately. Cardholder are encouraged to keep notes on problems and their resolution including names, dates, and conversation results.

P. RECONCILING MONTHLY STATEMENTS

- 1. The bank will provide the cardholders with monthly memo statements for verification of charges and reconcilement. A copy of these statements will be sent to the account clerks approximately six to eight (6-8) days after the end of each billing cycle.
- 2. The cardholder must verify receipt of goods or services for all purchase transactions on the monthly memo statement and match each one to corresponding supporting documentation (such as invoices, charge slips, receipts and packing slips). The cardholder must also verify all credit transactions were processed to the statement. The cardholder must sign either his or her memo statement or the purchasing card expense summary form.
- **3.** Upon fully reconciling the monthly statement, the cardholder submits the statement and all documentation to the account clerk.
- **4.** The account clerk must review the cardholder's monthly statement, verify the purchases were for a proper public purpose and verify/assign the account codes. The Approving Administrator or designee must sign the memo statement or purchasing card expense summary form signifying approval of the purchase(s).
- 5. Unauthorized purchases will result in disciplinary action and the employee will be required to make payment for any such transaction. When purchases are questioned, the account clerk is responsible for resolving the issue with the cardholder. If the account clerk is not satisfied that the purchase was necessary and for official use, the cardholder must provide either a credit voucher proving the item(s) were returned for credit or a personal check

- made payable to the School Board for the full amount of the purchase, plus applicable sales tax. Checks must be sent along with the statement to Finance, with an explanation of why the violation occurred.
- **6.** The account clerk must also prepare and sign the payment request form, certifying that he or she has reviewed all transactions for propriety, as well as budget availability, and forward it along with the cardholder's monthly statements, receipts and other documentation as required, to Finance within ten (10) business days from the end of the billing cycle. Receipts are to be submitted in the same order as they appear on the statement.

Q. PAYING FOR SUPPLIES

- 1. The vendor is paid by the bank within three (3) days of the order being placed or receipt of supplies or services.
- 2. Accounts payable will pay the billing consolidated statements within five (5) days from the end of the billing cycle. The Board retains the right to dispute a purchase up to sixty (60) days after the statement date in which the transaction occurred.

R. RETURNS AND/OR EXCHANGES, CREDITS, DISPUTES, AND ERRONEOUS CHARGES

- 1. The cardholder must attempt to resolve problems directly with the vendor. The vendor must issue a credit for billing errors, sales tax, defective supplies or unacceptable services, returned supplies or canceled orders. This credit should appear on the cardholder's statement within sixty (60) days. Do <u>not</u> permit the vendor to issue cash to settle a disputed amount. Under no circumstances can the employee accept cash.
- 2. If the cardholder is unable to resolve the issue with the vendor, or cardholder's credit does not appear on the monthly statement within sixty (60) days, cardholder (with assistance from the account clerk) should contact the bank's Commercial Card Customer Service Group at 1-877-826-0933 to resolve the matter. This group may require the cardholder to fax a Dispute Form (Exhibit C). A copy of the dispute form, if required, must also be sent to the Purchasing Card Administrator.

The following may be formally disputed with the bank:

- a. Unauthorized charges
- **b.** Difference in amount authorized by cardholder and amount charged by merchant
- c. Duplicate charges
- **d.** Account has not been credited within sixty (60) days
- e. Failure to receive goods
- f. Returned merchandise
- g. Unrecognized charges
- h. Defective merchandise
- **3.** When an account is in a dispute status, the disputed amount is still included in calculating the available money for authorizations (monthly limit). However, disputed items are removed from all late charges, past due amounts and calculations.
- **4.** After the item has been entered as a dispute, the bank must determine who is responsible by researching the transaction including requesting a copy of the sales draft when necessary.

- **5.** If the problem is resolved between the merchant and the cardholder while the item is in dispute, the cardholder should write the solution agreed upon on the bottom of the *Dispute Form* that was previously faxed to the bank, and fax it to the bank as soon as possible.
- **6.** If it is ultimately determined that the cardholder is actually responsible for the transaction, then the questioned amount will be added to the next monthly statement. If the cardholder is not responsible for the transaction, the dispute is settled for the cardholder and the charge-back process will be initiated against the merchant by the bank.
- **7.** If there continues to be problems with a particular merchant, the cardholder should notify the Purchasing Card Administrator of the problems.

S. REPORTING A LOST OR STOLEN CARD

If a card is lost or stolen, the cardholder must immediately notify the bank's customer service number listed on the back of the purchasing card and the Purchasing Card Administrator via email. Access to the card will be immediately blocked, and the cardholder will not be responsible for any charges after the card is reported lost or stolen. The cardholder must provide the bank with the Purchasing Card's 16-digit account number. The bank may also require the cardholder to submit written confirmation by fax or by mail of the card cancellation request reported verbally. A replacement card will be issued by the bank and delivered to the Purchasing Card Administrator.

T. PURCHASING CARD TERMINATION/ REVOCATION

- 1. **Terminated Employees:** The approving administrator or designee will immediately notify the Purchasing Card Administrator and account clerk of terminated employees. The Purchasing Card Administrator is required to notify the bank to cancel the card of a terminated employee within 24 hours of such termination.
 - During the exit interview, the approving administrator or designee will obtain the purchasing card from the terminated employee and destroy it, and have the employee sign the Employee/Supervisor Exit Checklist acknowledging the return of the purchasing card. The approving administrator or designee must notify the Purchasing Card Administrator when purchasing cards belonging to terminated employees are not returned.
- 2. Revocation of purchasing card privileges: Purchasing card privileges may be revoked upon the cardholder's failure to follow Board policies and procedures. The Purchasing Card Administrator will coordinate the revocation of purchasing cards and will immediately notify the bank to cancel any such cards. The approving administrator or designee will obtain the revoked purchasing card from the cardholder and destroy it.

U. VIOLATIONS AND CONSEQUENCES

- 1. Violations of the Purchasing Card Program include, but are not limited to:
 - a. Personal Purchases
 - **b.** Cash or Cash Type Transactions
 - c. Purchases of Items Specifically Prohibited by Policy
 - **d.** Splitting Purchases to Circumvent the Single Transaction Limits
 - e. Purchases that Exceed the Purchasing Card Established Limits
 - f. Failure to Provide Documentation and/or Inadequate Record Keeping
 - g. Habitually Providing Late Reconciliations to Finance/Accounts Payable

- 2. Consequences at the sole discretion of the PCard Program Administrator and based on the severity and number of violations, consequences may include, but are not limited to:
 - a. Cardholder must immediately reimburse the Board for inappropriate charges.
 - **b.** Cardholder may receive a written warning.
 - **c.** Cardholder may have purchasing card privileges suspended and be required to obtain additional training on the use of the purchasing card program.
 - **d.** Cardholder may have purchasing card privileges revoked permanently.
 - **e.** Violations may be investigated and could result in termination and/or criminal prosecution. In the event of willful or neglectful default of this obligation, the Board will take any recovery action deemed appropriate that is permitted by law.

V. INTERNAL ACCOUNT PURCHASING CARDS (IA P-Card)

- All guidelines documented in the Internal Accounts Manual for Leon County Schools must be followed when making Internal Accounts purchasing card purchases including, but not limited to:
 - **a.** The purchasing card can be used for authorized, pre-approved Internal Account purchases from vendors that will not accept purchase orders. Additionally the card may be used for online purchase, emergency situation and/or when it makes better business sense to use the purchasing card instead of an Internal Accounts purchase order.
 - b. Staff members requesting use of the purchasing card must complete and submit the Internal Accounts Purchasing Card Requisition Form (Exhibit H) to the principal and the bookkeeper to obtain prior approval for IA P-Card purchases. The principal's signature will serve as authorization to purchase and the bookkeeper's signature provides evidence that funds are available to initiate the purchase. IA P-Card requisition forms are to be maintained as a part of the internal accounts records.
 - **c.** All Internal Account purchases made with the IA P-Card must be supported by an original detailed sales receipt or invoice and the customer's copy of the charge slip.
 - **d.** A determination should be made regarding whether sales tax should be collected.
 - **e.** If the Internal Accounts purchase is for taxable fundraising items or resale items, sales tax should be paid on the purchase, or sales tax must be collected on the sale and remitted to the Florida Department of Revenue.
 - f. All other school related Internal Account purchases made with the IA P-Card should be tax exempt. It is the cardholder's responsibility to alert the vendor of the tax exempt status.
 - **g.** The Principal and bookkeeper will review and sign the IA memo and/or reconciliation log to ensure that all charges are legitimate and all appropriate supporting documentation is available prior to remitting funds to the District Accounts Payable Department.
 - h. Misuse of the IA P-Card will result in immediate suspension of card privileges.

 Resolution of situations involving improper use of the IA P-Card will be handled by the principal in accordance with Board policies and procedures, and reported to the District Purchasing Card Administrator.
 - **i.** All parties utilizing the IA P-Card must comply with all purchasing and purchasing card policies and procedures.
 - **j.** The IA P-Card holder should not split purchases to circumvent the single transaction limit.

2. Steps for Internal Accounts Materials and Supplies Purchasing Card Use

- a. The principal must designate staff members who are authorized to use the IA P-Card.
- **b.** All authorized staff members must review IA P-Card procedures and sign indicating understanding of the responsibilities for use of the IA P-Card.
- c. A blanket purchase order made out to the Leon County School Board should be issued from the school internal fund account in an amount anticipated to meet usage needs. Multiple funding strips may be used and/or multiple blanket purchase orders can be issued.
- **d.** The staff member must obtain quotes/estimates for goods and/or services to be purchased and prepare an internal accounts purchase order to obtain prior approval.
- **e.** The staff member must submit the IA P-Card Requisition Form to request use of the IA P-Card
- **f.** The principal must review and approve all anticipated expenditures prior to use of the IA P-Card. The bookkeeper must verify availability of funds prior to use of the IA P-Card.
- **g.** After approval from the principal and bookkeeper, the staff member must sign-out IA P-Card on the *Internal Accounts Purchasing Card Log* (Exhibit I).
- **h.** When the staff member is making a purchase from a local vendor, the staff member should take the IA P-Card, make the purchase, and obtain merchandise and receipts. It is up to the staff member to alert vendor of tax exempt status prior to purchase if purchase is tax exempt.
- i. When the staff member is making a purchase online or via telephone, the staff member should obtain the IA P-Card, place the order, provide vendor with IA P-Card information, and obtain all electronic supporting documentation (i.e. invoices). Upon receipt of merchandise, the staff member must verify that all goods ordered were received.
- **j.** The staff member must collect all original sales receipts and supporting documentation to be turned in to the bookkeeper after the IA P-Card purchase is complete.
- k. The staff member must return the IA PCard to the bookkeeper and sign the *Internal Accounts Purchasing Card Log* evidencing return of the card. The card must be returned within 24 hours of purchase.
- I. The bookkeeper must collect all supporting documentation from IA P-Card purchases to be attached to the IA P-Card Requisition Form and IA P-Card Statement maintained as a part of internal accounts records.
- **m.** Upon receipt of the IA P-Card statement, The Principal and the bookkeeper must review and sign the IA P-Card statement to ensure that all charges are legitimate and all appropriate supporting documentation is available.
- n. The bookkeeper must remit the IA P-Card statement, all supporting documentation, and an Internal Accounts check to the Board Accounts Payable Department within ten (10) days of the end of the billing cycle. When generating the Internal Accounts check for payment, the bookkeeper must properly post expenses from the various Internal Activity Accounts that utilized an IA P-Card for the respective month.

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3. INTERNAL ACCOUNT PURCHASING CARDS (IA P-Card) FOR TRAVEL RELATES EXPENSES

Approving administrators may request an Internal Account Purchasing Card for the following travel related expenses:

- **a. Registration**: Attendee registration fees for conferences, workshops, seminars, conventions, etc.
- **b. Airfare/Transportation**: Airfare is restricted to coach airfare for business related purposes. Reservations will be made through the Board contracted travel agency(s). Other travel agencies that handle reduced public agency rates may be used if necessary and if cost effective.

c. Hotel:

- **1.** Reservations should be made directly with the hotel to avoid payment in advance and prevent cancellation charges **do not use travel agencies**.
- **2.** Hotel accommodations, when traveling on business, must be budget/moderate price range hotels/motels.
- 3. Rooms are to be standard hotel rooms.
- 4. Only charges for the room are allowed on the P-Card. Meals and incidental hotel charges such as room service, in room movies/entertainment or personal services of any kind CANNOT be charged on the IA P-Card (Any additional charges are to be placed on the travel form for reimbursement).
- **5.** All applicable additional fees must appear on the hotel invoice presented at checkout.
- **6.** Sales tax should not be charged on hotel accommodations in the State of Florida. The Board is not exempt from resort taxes.

d. Rental cars: (Rental fees only)

- **1.** Rental cars are restricted to a midsize or smaller car. Fuel cannot be charged on the purchasing card unless it's part of the rental billing.
- **2.** A larger vehicle can be rented if a group is traveling together or the rental car company upgrades the vehicle at no additional cost (Site Administrator's approval required before renting a vehicle).

4. Documentation:

All transaction must be sufficiently documented before a charge can be made on the IA P-Card, including the following:

- a. Prior approval from schools administration for all charges
- **b.** Funds must be available in corresponding internal account (Quotes must be provided to the school's bookkeeper prior to issuance of card)
- c. All supporting paper work must be complete (i.e. leave forms)
- d. Requisition form must be completed and signed
- e. A list of all travelers are to be provided to school's administration

W. DISTRICT LEVEL TRAVEL REQUESTS

- 1. Principal or Site Administrator must send a written request to the Purchasing Card Administrator for authorization to use purchasing cards for travel related expenses. Request should include name of traveler(s), dates and location of travel, and business reason for the travel.
- 2. Principal should designate the individual whose PCard will be used for payment(s).
- 3. Purchasing Card Administrator will review the request and if authorized, open the profile of the individual to allow the travel related expenses to be charged on the designated individuals IA P-Card. If hotel expenses are anticipated the Purchasing Card Administrator will review and if authorized sign the *Hotel Reservation Credit Card Authorization Form* (Exhibit J).
- **4. ONLY** registration fees, hotel, air fare and rental vehicles may be approved. Fuel cannot be charged on purchasing cards unless it is part of the rental billing.
- 5. Meals and incidental hotel charges such as room service, in room movies/entertainment or personal services of any kind CANNOT be charged on the district IA P-Card (any additional charges are to be placed on a travel form for reimbursement).
- **6.** When reconciling monthly statements, all receipts and supporting documentation of charges must be included and forwarded to the Finance Department along with a list of all travelers, itinerary, conference/meeting agenda and any other relevant documentation.

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EXHIBIT A - PURCHASING CARD APPLICATION

LCS 9830-1000 REVISED 3/5/2018



PURCHASING CARD APPLICATION

Issue a LCSB Purchasing Card to	Date of Birth	
Title	Last 4 Digits of Social Security # 000-00	
Office Phone#	Home Phone#	
Cost Center # Department		
Single Transaction Limit (not to exceed \$1,000) \$		
Monthly Limit (not to exceed \$8,000.00) \$		
Address for Billing		
Cost Center Accountant Name:		
Cost Center Address:		
City, State, Zip		
Principal/Cost Center Administrator Approva	al	
Signature / Title	Date	
To Be Used By Purchasing		
Company Name as Appearing on Card: Leon Co School Box	pard	

Building the Future Together

Sales Tax Exemption Number: 85-8013915957C-7

"The Leon County School District does not discriminate against any person on the basis of race, color, ethnicity, national origin, religion, age, sex (including transgender, gender nonconforming, and gender identity), marital status, disability, pregnancy, sexual orientation, or genetic information."

EXHIBIT B – CARDHOLDER AGREEMENT FORM

SCHOOL DISTRICT OF LEON COUNTY CARDHOLDER AGREEMENT FORM

I AGREE TO THE FOLLOWING REGARDING THE USE OF THE SCHOOL DISTRICT OF LEON COUNTY PURCHASING CARD.

- 1. I understand that this card is to be used for only School District purchases as authorized by Leon County School Board Procedure 6424.
- 2. I am being entrusted with a powerful and valuable tool and will be making financial commitments on behalf of the School District of Leon County and will strive to obtain the best value for the School District.
- 3. I understand that under no circumstances will I use the Purchasing Card to make personal or unauthorized purchases, either for myself or others. Willful intent to use the Purchasing Card for personal gain or unauthorized use may result in disciplinary actions up to and including termination of employment and prosecution to the extent permitted by law.
- 4. I will follow Florida Law, purchasing policies of the School District, and the established guidelines for using the Purchasing Card. Failure to do so may result in either revocation of my card privileges or other disciplinary action.
- 5. I have been provided a copy of the Purchasing Card Procedure and attended training on and understand the Purchasing Card Program. I have been given an opportunity to ask any questions to clarify my understanding of the Purchasing Card Program.
- 6. I agree to review and reconcile transactions timely and will maintain all applicable information and receipts.
- I understand that I am the <u>only</u> person entitled to use the card and am responsible for all charges made against the card.
- 8. I understand that a lost or stolen card must be reported <u>immediately</u> by telephone to Bank of America (24 hours a day 7 days a week). A report of the lost or stolen card must also be made to the Purchasing Card Administrator by the beginning of the next business day.
- I understand that I must surrender my card upon termination of employment or transfer and no further use of the card is authorized.
- 10. I agree that, should I violate the terms of the Agreement, I will be subject to disciplinary action up to and including termination of employment and that I will reimburse the School District for all incurred charges and any costs related to the collection of such charges.

Cardholder Name (Print)	
Cardholder Signature	
Date	

EXHIBIT C – DISPUTE FORM

SCHOOL DISTRICT OF LEON COUNTY

Customer Statement Description of Error Form (Please print and use a separate form for each dispute)

If you believe a transaction on your statement is in error, make a copy, complete and sign below. Return the completed form in a separate envelope to Visa Card Administrator, Leon County School Board, 3397 West Tharpe Street, Tallahassee, FL 32303.

Na	ame	
		(As appears on Card)
AC	coun	t Number:
Tra	ansac	ction Date:
Tra	ansac	ction Description:
Re Ple	ferer	ce Number:Amount: \$ell us why you think the above is an error. Check only one box.
		My sales slip was added incorrectly. Enclosed is a copy of the sales receipt showing the correct amount.
	2.	I did not authorize this transaction. (Choose this option if you do not recognize the transaction).
	me	I have not received the merchandise which should have been shipped to me. The delivery date given by the rchant was (date required). I have contacted the merchant on and stold
	4.	The attached credit slip was listed as a sale on my account.
	5.	I was issued a credit slip, which was not posted on my account. A copy of my credit slip is enclosed.
	\$	Although I made the referenced transaction, I dispute the entire charge or portion in the amount of I have contacted the merchant and requested a credit adjustment. I either did not receive a credit twas unsatisfactory. I have written the attached letter for a detailed explanation.
		The charge in question is a single transaction but was posted twice to my statement. I did not authorize the ond transaction.
	8. not app	I notified the merchant on (date required) to cancel the pre-authorized order. Please e cancellation # (required for hotel and rental car reservation cancellations), if dicable.
۵	\$_	Although I did make a transaction at the merchant, I was billed for transaction(s) totaling that I nor anyone else I authorized to use my card authorized. I have all of my cards in my ssession.
	that	Merchandise which was shipped to me has arrived damaged and defective. I have returned it and requested my account be credited. A copy of the return receipt is enclosed. An additional letter to explain how the chandise was damaged or defective is also enclosed.
	11.	Other Please attach a letter of explanation.
Sig	natu	re: Date:
Γel	epho	ne No. Home () Work () Fax ()

EXHIBIT D - TRANSACTION LOG

LCS 9830 – 1296 Revised 11/6/2013

COST CENTER NAME COST CENTER NUMBER CODING T CENTER PRICT SUB PGM PRICT	
COST CENTER NUN CENTER NUN CENTER PRICE	
COST CENTON	
OS	_
L L L L L L L L L L L L L L L L L L L	
ТУРЕ	
G CARD FUND	
TRANSACTION LOG MONTH / YEAR TOTAL PRICE FUND	
DESCRIPTION OF PURCHASE MONTH / YEAR TOTAL PRICE FUND	
PHONE NUMBER VENDOR	
ORDER	

EXHIBIT E -EXPENSE SUMMARY

E	(12/13	- Bank o	of Americ	a Procur	ement Ca	ırd Char	FY 12/13 - Bank of America Procurement Card Charges / MONTH		
OLDE	CARDHOLDERS NAME:						COST CENTER#		
TYPE	FUNC	ÍBO	CENTER	PROJECT	SUBPROJECT	PGM	DEBIT	CREDIT	APPROVAL
						TOTAL:	- \$		
ER SIGN	CARDHOLDER SIGNATURE			DATE					
R APPI	COST CENTER APPROVAL SIGNATURE	VTURE		DATE		COST CENTI	COST CENTER APPROVAL PRINTED NAME) NAME	
N SIGN	PREPARED BY SIGNATURE			DATE		PREPARED	PREPARED BY PRINTED NAME		

EXHIBIT F – INTERNAL ACCOUNT TRAVEL CARD APPLICATION



Internal Account Purchasing Card Application Travel Expense Card

Issue Internal Account	Travel Expense P	urchasing Card t	o: enter scho	ool site name
Designated Cardholder	: enter name of a	cardholder	Job Title: 6	enter job title of cardholder
Has Cardholder Previou	usly Attended a P	Card Training Cla	ass? enter ye	s or no
Cost Center: enter cos	t center #		Office Phone	#: enter phone # of cardholder
Single Transaction Limi	it (not to exceed \$	\$8,000.) : enter a	pproved sing	le transaction limit
Monthly Transaction Li	imit (not to excee	ed \$20,000.) : en	ter approved	monthly transaction limit
Address for Billing:	Attn: Principal/S	Site Administrato	or Name	
	Street Address			
	City	State	Zip Code	
Principal Approval				
ignature / Title				Date
o Be Used By Purchasir	ng			
Company Name as Appe	earing on Card: Sc	hool District of L	eon County S	chool
ax Identification Numb	er: 47-04-025951	-53C		
Billing Cycle Date: Last d	lay of each month			
Merchant Category Code	e Blocks:			

EXHIBIT G – INTERNAL ACCOUNT MATERIALS AND SUPPLIES CARD APPLICATION



Internal Account Purchasing Card Application Materials and Supplies Card

Issue Internal Accoun	t Materials and S	upplies Purchas	ing Card(s) to: enter school s	ite name
State number of card	s requested (max	imum of 3): ent	er # of cards	
Designated Cardholde	er: enter name o	f cardholder	Job Title: enter job title o	of cardholder
Has Cardholder Previo	ously Attended a	PCard Training (Class? enter yes or no	
Cost Center: enter co	st center#		Office Phone #: enter phon	e # of cardholder
Single Transaction Lin	nit (not to exceed	d \$1,000.) : enter	approved single transaction	limit
Monthly Transaction	Limit (not to exce	eed \$8,000.) : <i>er</i>	nter approved monthly transc	iction limit
Address for Billing:	Attn: Principal,	/Site Administra	tor Name	
	Street Address			
	City	State	Zip Code	
Principal Approval				
Signature / Title				Date
To Be Used By Purchas	ing			
Company Name as App	earing on Card: S	School District of	Leon County School	
Tax Identification Num	ber: 47-04-02595	51-53C		
Billing Cycle Date: Last	day of each mont	th		
Merchant Category Co	de Blocks:			

EXHIBIT H – INTERNAL ACCOUNTS CARD REQUISITION FORM

Approved By: Department Head/Sponsor Bookkeeper
Date Lancourt

Please attach any supporting documentation and return it to the Bookkeepers Office.

EXHIBIT I – INTERNAL ACCOUNTS PURCHASING CARD LOG

Internal Accounts Purchasing Card Log (IA P-Card)

Verification Signature																
Amount Spent																
Purchaser Signature																
Time - In																
Date - In																
Time - Out																
Date -Out Time - Out																
Card Number																

EXHIBIT J – HOTEL RESERVATION AUTHORIZATION FORM



Hotel Reservation Credit Card Authorization Form

Leon County School Board PCard Program 2757 W. Pensacola St., Tallahassee, FL 32304

LEON COUNTY SCHOOLS	1	Interest on the second of	2 02004
	el)		
Room, parking, interne	y School Board purchasing card et access, and business calls on ternet access, and business call	ly (Tax Exemption Certificat	1.5
The maximum allowable	e single room rate per day fo	r this location cannot exc	eed. \$
,	All additional charges are to	be billed to the traveler	(s).
Guest Name(s)	Confirmation	Arrival Date	Departure Date
Company of the Compan			
Conference or Group Affili	ation:		
	Bank of America VISA Pure	chasing Card Information	
Credit Card Number:			
	e:		ecurity Code:
Rilling Address:			
			_
E-mail Address:			
4 0			
10 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	3 - 4 - 2 - 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3		
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