

Policies and Procedures
For
The State of Texas
Procurement Card Program



2023 - 2024

Revised: 7/14/23

Purchasing Card Policies and Procedures

Introduction

The purpose of the purchasing card program is to establish a more efficient, cost-effective method of purchasing and paying for small dollar transactions as well as higher volume, repetitive purchases. The purchasing card can be used with suppliers that accept credit cards as forms of payment and will not accept our district purchase orders.

The purchasing card program should result in a reduction in the volume of checks issued by the Accounts Payable Department.

General Information

These policies and procedures provide the general guidelines for using the purchasing card. Please read it carefully. Your acknowledgment in TalentEd on the Cardholder Agreement page shows that you understand the intent of the program and agree to follow the established guidelines. The following important points should be reviewed before using the purchasing card:

All purchases made on the purchasing card must only be yours, and the card should be used for official school district purchases only. You are responsible for the security of the purchasing card and the transactions made with it. If you do not follow these guidelines when using the purchasing card, you will receive disciplinary action, including the possibility of termination.

- You can use the purchasing card at any vendor that accepts MasterCard and is a preferred District vendor and at most hotels. **In most instances, the intended use is for in person merchandise purchases or hotel payment. In rare occasions online purchases may be made using a campus or department Citibank card or by scheduling an appointment with the Business Office. See section for additional Online Purchasing Procedures.**
- The purchasing card may only be used to purchase items that are included in a currently approved budget line item for supplies or travel.
- You may use the purchasing card to purchase supplies less than the single transaction limit that has been established for your card.
- Use must not exceed the credit limit assigned to your card in a given month.
- All receipts for purchases must be received by the Business Office within **5 days of each purchase. Cards must be returned to the check-out location with detailed receipts the day following the purchase.**
- The business office will reconcile the statement received from CitiBank to ensure all charges are accurate. The statement will be reconciled using your receipts, so it is critical that all receipts be submitted in a timely basis.
- The purchasing card is not intended to avoid, or bypass appropriate purchasing or payment procedures as outlined in Board Policy CH or the Boerne ISD Purchasing Manual.

Duties and Responsibilities

Program Administrator - (Director of Purchasing, ext. 2026)

The Program Administrator is designated to oversee the administration of the program. The Program Administrator has a direct relationship with the bank. All new purchasing card requests must go through the Program Administrator. The Program Administrator will answer questions and ensure compliance with fiscal guidelines. The Program Administrator will also issue and evaluate usage reports and monitor card activity online and train new users.

Asst. Program Administrator - (Director of Business Services, ext. 2024)

The Purchasing Coordinator will assist the Program Administrator on an as need basis.

Accounts Payable (Receipts) - Accounts Payable will reconcile the monthly statements and contact cardholders, as necessary, to resolve discrepancies and/or disputed charges.

Business Office Specialist – (ext. 2044)

The Business Office Specialist will check out MasterCards for Hotel use at the Business Office. Contact Denise Stefanik via e-mail or phone (ext. 2044) to schedule appointment to pick up card. If Mrs. Stefanik contacts you via e-mail to request an appointment, please respond to her request.

Cardholder

The cardholder is responsible for following the guidelines in regards to purchases, selection of vendors, and security of the card and submission of receipts. **All receipts must be submitted, and cards returned the day following the purchase and must be received by the Business Office within 5 days of each purchase on a Purchase Transaction log form or attached to the receiving copy of a purchase order.**

Budget Manager - (Principal/Director)

The Budget Manager is responsible for designating cardholders and for approving purchasing card receipts and Purchase Transaction log forms of cardholders to ensure they are within District Policy. The Budget Manager will also assist in assigning cardholder spending limits and monitoring adherence to purchasing card regulations. The Budget Manager is responsible for retrieving purchasing cards in the event of termination or change in the employment status of a cardholder under their supervision.

Customer Service

The purchasing card program is serviced using a team approach with the Bank's Customer Service Center. This center is available 24 hours a day, 7 days a week to assist the cardholder with general questions about the purchasing card account. If a card is lost or stolen, the employee should notify Customer Service immediately.

The customer service number is: 1-800-248-4553.

Credit Rating & Liability

The program does not affect your credit rating in any way. The purchasing card program carries corporate, not individual liability.

Purchasing Card Controls & Procedures

Credit Limits

All purchasing cards have monthly/annual cardholder spending limits. Limits may vary for each card and will be established by the Program Administrator in conjunction with the Budget Manager. Monthly limits automatically "refresh" each month.

In order to change limits on any card, your Budget Manager should forward a request in writing to the Program Administrator. Upon approval, the Program Administrator will then contact the Bank for processing. *Please allow 2 to 3 days to process any changes.*

Transaction Limits

Your purchasing card may have a single transaction limit. Most campus cards currently have a \$750 per use spending limit. This is the amount available on the purchasing card for a single purchase. Cardholders should not attempt to make a purchase greater than his/her approved amount. The Program Administrator must also handle changes to the transaction limit. Any transaction limit increases should be requested the day prior to the purchase.

Restricted Vendors

For merchandise purchases, the purchasing card program will be restricted for use with certain types of suppliers and merchants. If you present your purchasing card for payment to restricted vendors, the charge will be declined. **Do not attempt multiple swipes of the card by the merchant, as this will trigger a fraud alert.** Instead, please contact the BISD Business Office. *The purchasing card may be used for in-store purchases only.* Purchases for services (including rentals) or orders requiring warehouse delivery shall be processed on a standard Purchase Order.

Issuance of Purchasing Card

Purchasing cards will be centrally distributed through the business office. Cards will be released to cardholders after training and receipt of a signed cardholder agreement.

All employees wishing to use a purchasing card will be required to complete training and acknowledge the Cardholder Agreement each year. Campus cards shall not be signed out to an employee who has not completed the training & signed a Cardholder Agreement. The signed Agreement forms are filed in the Purchasing Office & added to a campus list of approved users. Missing forms will require the employee to be re-trained.

Purchasing Card Activation

The Business Office will call customer service to activate the purchasing cards before the first use. Upon receipt of the card, the card holder should always keep the card in a secure place.

Purchase Transaction

Campus cards must be signed out on the official Procurement Card Log Sheet, upon presentation of an approved Purchase Order. *Cards may not be used if a purchase order has not been issued.* This procedure applies to both district general operating funds and activity funds. Purchase orders will be issued to CitiBank as the vendor, with the name of the merchant in the description line.

Online Purchasing Procedures

Online purchases should only be made when purchase orders will not be accepted by the vendor, and an online purchase is the only option **OR** to make hotel reservations when the hotel is charging the first night stay at the time of reservation. (Setting up Curbside accounts, making online purchases when a business has a store locally, etc., using Campus or Department purchasing cards is not acceptable and not the intent of the online purchasing option.) When making an online purchase, a Campus or Department card

must be signed out on the official Procurement Card Log Sheet, upon presentation of an approved Purchase Order. *Cards may not be used if a purchase order has not been issued.* This procedure applies to both District general operating funds and activity funds. Purchase orders will be issued to CitiBank as the vendor, with the name of the merchant and employee making the transaction in the description line. The online purchase is to be made using the computer of the Designated campus/department personnel (Bookkeeper, Principal's Secretary, Principal, Department Card Manager, etc.) Citibank Card information should not be stored on any computer during or after the transaction has been made. After the online purchase has been made, the Citibank Card should be signed back in, and a receipt submitted for the purchase. Ensure the online purchase does not have any recurring costs or automatic renewals that will be charged to the card at a future date. Please contact the Director of Purchasing if you have any questions related to making online purchases.

Purchasing Card Receipts

Always obtain a receipt when using the purchasing card. It is every cardholder's responsibility to ensure there is an **original receipt** for each purchase. **Detailed, itemized receipts** must be presented for purchases - **the credit card charge slip is not considered adequate documentation.** Receipts should be attached to the PO receiving copy or the Purchase Transaction Log and sent to the Business Office. *Do not combine multiple forms of payment on one transaction; for instance, do not partially pay the purchase with cash, check, or other credit card when using the district's MasterCard, except when clearing personal hotel charges from a hotel bill.* Mobile POS receipts should be sent via email to print, not via text.

These receipts will be each cardholder's documentation for the monthly purchasing card charges. **After approval by the campus principal or budget secretary, the receipts should be forwarded to the Accounts Payable Assistant.** If a receipt is lost or stolen, the cardholder should obtain duplicate copies of the receipts. If unable to obtain a receipt, the charges may become the personal responsibility of the cardholder and due to the business office immediately.

Insufficient Budget

Payments will not be delayed due to insufficient department budgets. If a budget override has to be made in order to make a payment, resulting in an account having a negative balance which is not approved by the Business Office, all cards utilizing the account in question will be deactivated immediately. Repeated budget problems may result in all cards for that account being deactivated at the Program Administrator's discretion for a 4-month period.

Card Use by Other Individual

Allowing another employee, student, spouse, or family member to use the card may result in the card being deactivated at the Program Administrator's discretion. The cardholder may be denied card privileges or required to attend training again before being allowed to use a card.

Sales and Use Tax

The District is a tax-exempt entity and *does not pay or reimburse* Texas sales tax. The cardholder should present a sales tax exemption form when making a purchase. WalMart purchases require the presentation of a WalMart tax-exempt card. If taxes are charged, the cardholder shall be personally liable for reimbursement of all taxes immediately, if the merchant will not credit the charges or issue a refund.

Hotel Charges

A district travel card may be used to pay hotel charges. In most instances, the district's credit card number may **not** be used to secure a room reservation. If the hotel is charging the first night's rate at the time of reservation, contact the business office for approval to use the District card to make the reservation. Please use a personal credit card to hold reservations. Confirm that the hotel charges the **district card** upon check out. A PO for the hotel reservation must be issued before the event, and a credit card & tax-exempt form will be issued to the employee in the Business Office. A tax-exempt form should be presented upon check-in at the hotel. Any state tax charges should be removed & other unauthorized charges will be paid by the employee prior to final checkout. Parking, city tax and parking tax are allowed. *Under the door "quick checkout" notices shall not be used as receipts. Front desk checkout is required to verify proper charges to the district card.* Employee Travel meals will not be paid with the credit card and will continue to be reimbursed through your ACH after travel. Student Travel meals may be paid with the card & should show the gratuity/tip.

Accounts Payable Department Use

The Accounts Payable Department may use the procurement card to pay monthly bills, when appropriate.

Returns, Credits and Disputed Charges

Should a problem arise with a purchased item, every attempt should be made to first resolve the issue directly with the supplier. All returns must be reimbursed by credit to the account; cash refunds are prohibited. Credit slips should be submitted in accordance with district guidelines.

Security of the Purchasing Card

The cardholder is responsible for the security of the card. It should not be posted in a work area or left in a conspicuous place. It should be kept in a secure location.

End of School Year

At the end of the school year, all cards should be returned in person to the Business Office, where they will be signed in and secured for safekeeping over the summer months.

Violations & Consequences

The only person authorized to use the purchasing card is the cardholder whose signed for and checked the card out. The card is to be used for business purposes only. The card is not intended for personal use. If personal purchases are determined to be considered misappropriation of District funds, which is a criminal offense, such activity could be reported to the proper authorities.

Sales tax and any other unauthorized purchase made with the credit card will be the responsibility of the individual who will promptly reimburse BISD.

Inappropriate use of the card or failure to abide by the Purchasing Card Policies and Procedures will result in revocation of the card and appropriate disciplinary action, including, but not limited to, possible termination of employment.

Employee Termination

The purchasing card must be returned to the Program Administrator or Budget Manager upon termination from employment with the Boerne Independent School District. The purchasing card must be returned to the Business Office prior to the employee's departure from his or her employment. To the extent permitted by law, the district reserves the right to withhold the employee's final paycheck until such card is returned to the district.

Lost or Stolen Cards

If a purchasing card is lost or stolen, immediately contact the Bank's Customer Service at **800-248-4553**. After contacting the Bank, notify the Program Administrator. Prompt action can reduce the District's liability for fraudulent activity. If a cardholder fails to make a report of a lost or stolen card immediately upon discovery, the cardholder may be required to reimburse the District for any fraudulent charges made on the card prior to card cancellation. The cardholder will be subject to a minimum 6-month waiting period and will be required to attend training again before a card will be checked out to that employee. Upon the loss of a second card, no additional cards will be checked out to the employee.

Examples of Acceptable Purchases

Food Supplies - for instructional purposes, refreshments for meetings, or student travel
Classroom Materials/ Books
Office & Instructional Supplies
Hotel costs
Field Trip Merchants
Tools/ Hardware/ Auto Parts (For instructional purposes)

Examples of Unacceptable Purchases

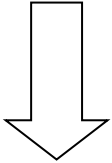
Services of any type
Computer Hardware or Software
Equipment & Capital Items - any single item with a per unit cost over \$500 Personal Items
Cash Advances or gift cards, which function as cash
Alcoholic Beverages

These examples are for illustration only. When in doubt, please contact the Program Administrator, Purchasing Manager or Budget Manager for clarification.

Want to use a Procurement Card?

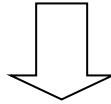


Purchase for warehouse delivery,
services, or equipment

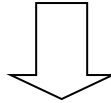


Do not use Procurement card,
use standard Purchase Order

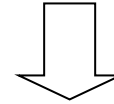
In-Store Purchase (HEB, WalMart)



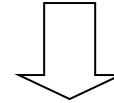
Employee **has not**
completed training



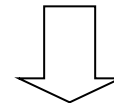
Use standard PO
or get training



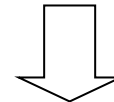
Employee **has**
completed training



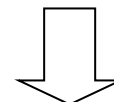
Enter Requisition,
receive PO



Check out Campus
card



Make Purchase &
collect receipt



Return Card &
receipt to Campus
same day

Submit to P-Card Administrator for Authorization





BOERNE I.S.D.

EMPLOYEE PROCUREMENT CARD AGREEMENT

I hereby request the use of a Citibank/Boerne ISD MasterCard. As a cardholder/user, I have read, understand and agree to comply with the Boerne ISO Purchasing Card Policies and Procedures.

1. I understand that I am being entrusted with a valuable tool, the corporate procurement card. I will be making financial commitments on behalf of The District. I will obtain the best value for Boerne ISD by using the card wisely and with discretion.

2. I agree to use this card for official approved purchases only. I fully understand that misuse or abuse of the card will result in revocation of the card and appropriate disciplinary action which may include, but is not limited to, termination of my employment. I understand that if I wish to have access to any BISD credit cards that yearly in-person training will be mandatory. Use and training of BISD credit cards will be prescribed by the card administrator.

3. Policy violations include but are not limited to:

- Purchasing items for personal use or non-district business purposes
- Exceeding card transaction dollar limits or monthly limits
- Using the card for travel-related expenses, other than hotel costs
- Failure to turn the card over to the card administrator when appropriate
- Failure to submit proper documentation (receipts) immediately following each purchase
- Allowing the card to be used by someone else, including other employees

4. I agree to return the card immediately upon request or upon termination of employment (including retirement and resignation). Should I be transferred, qualify for extended leave or undergo an organizational change which causes my duties to no longer necessitate the use of the card, I agree to return it immediately and arrange for a new one as may be appropriate.

5. If the card is lost or stolen, I agree to immediately notify Citibank and the Boerne ISD Program Administrator verbally and in writing.

6. I agree that the cost of undocumented and/or unauthorized purchases may be deducted from any upcoming district payroll check/s.

7. At the discretion of the Director of Business Services, any misuse of a BISD credit card will result in the individual ' s loss of the use of the BISD credit cards; first offense is six months revocation of credit card privileges.

8. At the discretion of the Director of Business Services, I understand that the repeated misuse of BISD credit cards by employees of a school or department will subject the school or department to a one month revocation of credit card privileges.

Specific Uses or Restrictions (to be determined by program administrators, if any)

Employee Name (**Please Print**)

Campus & Department

Employee Signature

Date

P-Card Administrator

Date