

Rapid City Area Schools

Purchasing Card Program Procedures Manual

Table of Contents

INTRODUCTION	3
CODE OF CONDUCT.....	4
1 CARDHOLDER SETUP & ACTIVATION	6
1.1 CARDHOLDER SETUP.....	6
1.2 ACTIVATION OF ACCOUNT	6
2 PURCHASING GUIDELINES AND LIMITS.....	7
2.1 OVERVIEW	7
2.2 ALLOWABLE PURCHASES.....	7
2.3 UNAUTHORIZED PURCHASES WITH THE P-CARD	7
3 RECORDKEEPING & RECONCILIATION	8
3.1 OVERVIEW	8
3.2 RECONCILING.....	8
3.3 MISSING RECEIPTS.....	8
3.4 EXAMPLES OF RECEIPT DOCUMENTATION.....	8
4 DISPUTED TRANSACTIONS OR FRAUDULENT CHARGES.....	9
4.1 OVERVIEW	9
4.2 KEY DATES	9
4.3 p-Card Forms	9
5 ACCOUNT MAINTENANCE	10
5.1 OVERVIEW	10
5.2 INFORMATION UPDATES.....	10
6 TRAVEL USING THE P-CARD.....	11
6.1 OVERVIEW	11
6.2 TRAVEL TIPS.....	11
6.3 RELATED POLICIES IN THE AP MANUAL	11
6.4 p-Card FORMS.....	11
7 AUDITS.....	12
7.1 OVERVIEW	12
7.2 VIOLATIONS.....	12
8 LOST OR STOLEN CARDS	13
8.1 OVERVIEW	13
8.2 CARD SECURITY TIPS.....	13
8.3 CONTACT LIST.....	13
8.4 P-CARD AND AP FORMS	13

INTRODUCTION

Welcome to Rapid City Area Schools Purchasing Card program!

On behalf of the Business Office, I welcome you to participate in the school district's Purchasing Card program, "p-Card". We believe that each employee's time is valuable and we believe the p-Card program contributes directly to enabling you to streamline your department's purchasing needs.

This manual is designed to acquaint you with information about the p-Card program's policies and procedures. You should read, understand, and comply with all provisions of the manual. It describes many of your responsibilities as a cardholder and outlines the processes and procedures to facilitate secure, timely and accurate purchasing transactions.

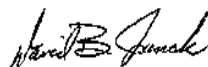
The purpose of the Rapid City Area Schools' Purchasing Card Program is to streamline and simplify the requisitioning, purchasing and payment process for small dollar transactions. The program is designed to shorten the approval process and reduce the paperwork of procurement procedures such as purchase orders, petty cash, check requests and expense reimbursements. The goal of the program is to:

- Reduce the cost of processing small dollar purchases
- Receive faster delivery of required merchandise
- Simplify the payment process
- Provide cardholders with empowerment to choose!

The p-Card manual cannot anticipate every circumstance or question. As our district usage continues to grow, we may revise, supplement, or rescind any policies or portion of the manual from time to time as the district deems appropriate.

Again, I welcome you to the p-Card program, and if you have any additional questions, please contact your supervisor or either of the two account administrators – Dave Janak or Mary Duncan (phone 394-4026).

Sincerely,



Dave Janak
Director of Finance and Budget

CODE OF CONDUCT

The Code of Conduct for RCAS Purchasing Card Program is designed to provide the participant a set of guidelines and philosophy to follow regarding the use of the card.

- **Purchases**
p-Card purchases should be made so that the district gains the maximum value and quality for each purchase.
- **Supplier Gifts**
Decline all personal supplier gifts offered.
- **Cardholder Agreement**
The issuance of a p-Card is strictly prohibited prior to receipt of a signed agreement from the employee. An employee must sign the Cardholder Agreement prior to receiving a p-Card.
- **Personal Use of p-Card**
Only authorized business purchases may be completed with the p-Card and any personal purchases is strictly prohibited.
- **p-Card Security**
The p-Card is the property of RCAS and as such should be retained in a secure location. An employee may use the p-Card when traveling on business on behalf of RCAS; otherwise, it should not be retained in the employee's purse or billfold. This practice reduces the possibility of the p-Card being lost or stolen.
- **Supplier Disagreements**
If a disagreement occurs with a supplier, the employee should make every effort to reach a reasonable and equitable settlement to the dispute. If it is not possible to settle the disagreement under reasonable circumstances, then submit the dispute to arbitration with an independent, impartial third party.
- **Negotiations**
Each employee is required to conduct themselves in a good faith manner when negotiating with suppliers. Any intentional misrepresentation is strictly prohibited.
- **District Policy**
Adhere to district policy as it relates to the p-Card program.

CODE OF CONDUCT (cont.)

- **Documentation**

All purchases using the p-Card program must be properly documented for business purposes. Failure to do so may result in revocation of the cardholder's use privileges and/or may result in either the purchases being reported as income to the cardholder or being considered as personal purchases, therefore requiring the cardholder to reimburse RCAS.

- **Purchase Restrictions**

The purchase of products, services or commodities on the restricted list in the Purchasing Card Policy is strictly prohibited. Check with your supervisor or program administrators if you have any questions about whether a charge is valid under the p-Card program.

- **Purchase Limits**

All dollar value purchase limits will be adhered to under the program. If you need to have your credit limit raised, you must make a request through your supervisor.

- **Business Practices**

In all supplier relationships and purchasing, promote and cooperate with trade and professional associations and with state, federal, local and private agencies on encouraging fair, ethical and legal business practices.

1 Cardholder Setup & Activation

1.1 Cardholder Setup

A New Card Request Form must be completed for new participants in the p-Card program and signed by the appropriate authorizations. The approved application must be submitted to the p-Card administrator. Once the application has been approved by the p-Card administrator, an account for the cardholder may be established.

The new participant must also sign the Cardholder Agreement that outlines the responsibility of the cardholder while in possession and use of the p-Card. This must be completed and signed prior to the release of the p-Card to the cardholder.

1.1.1 [p-Card Request](#)

1.1.2 [p-Cardholder Agreement Form](#)

1.2 Activation of Account

To activate your p-Card follow the instructions below.

1. Call the toll free card administrator phone number on the label affixed to the card.
2. When prompted enter your card number.
3. You will then be prompted for personal information which will identify you as the cardholder in possession of the p-Card.

If you have problems activating your account, please call the p-Card administrator at (605) 394-4026 or via email at Dave.Janak@k12.sd.us or Mary.Duncan@k12.sd.us.

2 Purchasing Guidelines and Limits

2.1 Overview

RCAS only allows certain purchases to be made using the p-Card. All purchases must be made in compliance with our district and the guidelines set forth in this manual. Any violation will result in disciplinary action that may include termination of employment. Only the authorized cardholder or his designees may use the p-Card. Each cardholder has a designated credit limit for monthly purchases. Intentional circumvention of these limits is strictly prohibited. RCAS will perform periodic audits electronically and manually to verify adherence to this policy.

2.2 Allowable Purchases

- 2.2.1 Office supplies and forms
 - 2.2.2 Books and subscriptions
 - 2.2.3 Travel expenses (as permitted by RCAS travel policy)
 - 2.2.4 District vehicle expenses
 - 2.2.5 Registration Fees
 - 2.2.6 Computer supplies
 - 2.2.7 Dues for professional memberships
 - 2.2.8 Hardware and tools
 - 2.2.9 Repairs and maintenance services
 - 2.2.10 Meeting/convention expenses
-

2.3 Unauthorized Purchases with the p-Card

- 2.3.1 Cash advances, wire transfers or money orders
 - 2.3.2 Independent contractors or other personal services
 - 2.3.3 Maintenance contracts
 - 2.3.4 Stock items available through our warehouse or through approved ordering systems
 - 2.3.5 Capital purchases
 - 2.3.6 Donations
 - 2.3.7 Leased equipment
 - 2.3.8 Parking tickets
-

3 Recordkeeping & Reconciliation

3.1 Overview

The cardholder is responsible for maintaining adequate receipts for goods and services purchased with the p-Card. The cardholder must contact the vendor directly to resolve any discrepancies or incomplete orders. The documentation retained should include sales receipts, packing lists (if applicable) and credit card transaction receipts. Any incorrect charges, duplicate transactions or missing credits must be addressed directly between the cardholder and the vendor.

3.2 Reconciling

- 3.2.1 Rapid City Area School District downloads transactions from BMO on a weekly basis. The cardholder will receive an email reminder when there are transactions to be reconciled in Skyward. All transactions for a month must be reconciled no later than the fifth of the following month.
- 3.2.2 Cross reference each transaction documented in Skyward with receipts which have been scanned and attached.
- 3.2.3 Verify amounts charged.
- 3.2.4 Keep the actual receipts until further notice.

3.3 Missing Receipts

- 3.3.1 If the cardholder is missing receipts, the cardholder will be subject to payroll deduction for those unsubstantiated expenses.

3.4 Examples of Receipt Documentation

- 3.4.1 Cash register receipt
- 3.4.2 Car rental original receipt showing date in and out
- 3.4.3 Airline itinerary and sales receipt (if an electronic "e-ticket" attach the boarding pass document)
- 3.4.4 Itemized hotel bills

4

Disputed Transactions or Fraudulent Charges

4.1 Overview

At times there might be disputed transactions appearing on a cardholder's account statement. The dispute may arise due to non-delivery of the goods or services, incorrect billing, duplicate billing, missing a valid credit not processed to the account for a return, altered charges or defective merchandise. It is imperative that the issue is addressed immediately. When a dispute occurs, the cardholder must complete a Disputed Statement Form documenting the reason for the disputed item and other transaction details. The cardholder must submit the form directly to the bank and should also notify the vendor of the discrepancy. The cardholder is responsible for resolving the disputed item with the vendor.

If a vendor does not issue a credit for a returned item within 30 days of the return, cardholder must also complete the Dispute Statement Form as notification to both the bank and the vendor. Any disputes that cannot be resolved by the cardholder directly with the vendor may contact the bank for assistance.

Any fraudulent charge (i.e., a charge appearing which was not authorized by you) must be reported immediately to the program administrator. Prompt reporting of any such charge will help to prevent RCAS from being held responsible.

Contact Information

Telephone: 1-866-418-8154

The bank must be notified of all disputed transactions within 30 days of the statement date.

NOTE ON RETURNED ITEMS: Items should be returned directly to the vendor by whichever means the vendor requires. It is the cardholder's responsibility to determine that proper credit is posted for any returned item

4.2 Key Dates

- 4.2.1 Cardholder has 30 days from statement date to notify the Bank of the dispute
- 4.2.2 Cardholder has 30 days from the date of the returned merchandise to begin the dispute process

4.3 p-Card Forms

- 4.3.1 [Dispute form](#)
- 4.3.2 [Declaration of Forgery](#)

5 Account Maintenance

5.1 Overview

The cardholder information, such as credit limits, etc., may change periodically. The cardholder must contact his/her supervisor if an increase is warranted. The supervisor will contact the program administrator and request that an increase has been approved. The program administrator will make the change.

5.2 Information Updates

- 5.2.1 Email address
 - 5.2.2 Credit limit
 - 5.2.3 Type of purchasing allowed by the cardholder
 - 5.2.4 Cancellation of the cardholder's account
 - 5.2.5 Suspension of the cardholder account
-

6 Travel Using the p-Card

6.1 Overview

A cardholder must have the travel purchase option enabled in their account profile in order to use their p-Card for such expenses. All out-of-district travel must be requested by the appropriate supervisor on the online Pre-Travel Authorization form in accordance with District Policy DLCA*-P. Arrangements for air travel are made through the business office. The cardholder must adhere to the district's Travel Policy guidelines and procedures. All travel must be for business purposes only and any personal use is strictly prohibited.

6.2 Travel Tips

- 6.2.1 The p-Card should not be used for gasoline for your personal vehicle when it is used for business purposes. Business travel incurred when using your personal vehicle will be reimbursed by claiming mileage on your expense report. If you are traveling with a rental car, then gasoline may be purchased using the p-Card.
 - 6.2.2 The p-Card may be used to pay itemized hotel bills
 - 6.2.3 The district does not provide ATM privileges with its p-Card program. Any cash needed while traveling must be either from personal funds or cash advances that are reimbursed upon submitting an expense report.
 - 6.2.4 Food and lodging are reimbursed on a per-diem basis following the current state rate, in accordance with District Policy DLCA*-P and DLCB*-P.
-

6.31 District Policy DLCA*-P

[DLCA-P - Travel and Expense Reimbursements - Out of District Travel.pdf](#)

6.32 District Policy DLCB*-P

[DLCB-P - Travel and Expense Reimbursements Same-Day Travel.pdf](#)

7 Audits

7.1 Overview

All cardholder accounts are subject to periodic audits to ensure compliance with the district's overall policies and the policies outlined in this manual. The p-Card administrator, the Purchasing Department, the Accounts Payable Department and Internal Audit review daily, monthly and annual transaction activity reports as deemed necessary to ensure adherence to the p-Card policies. If an audit reveals a policy violation, the cardholder and their manager will be contacted and disciplinary action assessed based on the type of violation.

7.2 Violations

- 7.2.1 Intentional splitting of transactions to circumvent the credit limit including single day and single transaction limits.
 - 7.2.2 Consistently delinquent accounts submitted for processing and payment.
 - 7.2.3 Personal use of the p-Card.
 - 7.2.4 Allowing an unauthorized user to use the p-Card.
 - 7.2.5 Purchase of prohibited products, service or merchandise outlined in the district's policies and in this manual.
 - 7.2.6 Failure to pay inadvertent personal charges on the p-Card.
 - 7.2.7 Fraudulent transactions with a vendor.
 - 7.2.8 Violation of the district's Purchasing Policy
-

8 Lost or Stolen Cards

8.1 Overview

If your card is lost or stolen, the cardholder must immediately contact the Bank and the p-Card Administrator. The cardholder should also complete the Account Maintenance Form documenting the card was lost or stolen and the date that it was noticed missing. Upon notification, the card will be suspended immediately and any charges posted to the account after the “missing date” will be denied. A new card will be issued upon completion of an application and indicate that the card is a replacement. After the application is received by the p-Card Administrator it will take approximately two (2) days to reissue a replacement card.

8.2 Card Security Tips

- 8.2.1 When you are not traveling on district business, the card should be retained in a secure location other than your personal billfold or purse.
 - 8.2.2 A canceled card should be destroyed by cutting it up into several pieces prior to disposal.
 - 8.2.3 When presenting your card for purchases, provide your driver’s license to identify you as the authorized user of the card.
 - 8.2.4 Sign the back of the card and also write “See ID” next to the signature to remind the vendor to look at your personal identification to authenticate the transaction.
 - 8.2.5 Do not provide your card account number to unsolicited marketing calls.
-

8.3 Contact List

- 8.3.1 Bank Information
 - BMO/Harris Bank
 - 1-800-263-2263 (Primary Number)
 - 1-800-361-3361 (Lost/Stolen – Emergency Replacement)
 - 8.3.2 p-Card Administrator
 - Mary Duncan
 - 605-394-4026
 - Mary.Duncan@k12.sd.us
-

8.4 p-Card and AP Forms

- 8.4.1 Account Maintenance Form ([hyperlink to intranet](#))
 - 8.4.2 p-Card Agreement Form ([hyperlink to intranet](#))
 - 8.4.3 p-Card Application ([hyperlink to intranet](#))
-