P-Card Manual

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I. INTRODUCTION

Procurement cards are intended to be used in limited, specific circumstances when the regular purchase order process is unavailable or administratively prohibitive. Procurement responsibility is delegated to the ordering school or department enabling an authorized cardholder to place an order directly with the vendor. When a purchase authorization is requested by the supplier at the point of sale, the Mastercard procurement card system validates the transaction against preset limits established by the CFO. All transactions are approved or declined electronically based on the procurement card authorization criteria established. The authorization criteria may be adjusted periodically as needed and may include, but is not limited to, the following:

- Number of transactions allowed per day
- Number of transactions allowed per month
- Single item purchase limit
- Daily Total
- Monthly Total
- Invoice Total
- Approved Vendors
- Approved Commodities

The authorization process occurs through the electronic system that supports the procurement card processing services utilizing Truist Bank.

II. KEY WORDS & PHRASES

Approver

A person delegated the responsibility of approving Cardholder transactions to ensure the appropriateness of activity and the timely processing of charges.

Reviewer

Assigned Accounting Personnel designated to review transactions.

Purchasing Card Administrators (Accounting)

The individual(s) in the Accounting Department authorized to administer the cardholder profiles, card issuance, card cancellation, and cardholder training.

Billing Cycle

The monthly billing.

Cardholder

A person designated by the P-Card Administrator, (pursuant to the recommendation of a Principal, Department Head, CFO, or other administrator) to be given a Purchasing Card to make purchases within preset limits, on behalf of the School District.

A cardholder shall meet the purchasing card requirements as stated herein and have duties or responsibilities commensurate with the establishment of spending limits.

Cardholder Profile

Parameters that are set for a designated Cardholder that identify the Cardholder, set School District accounting codes and provide restrictions or spending limitations in the Contractor's system.

Contractor

The bank issuing the purchasing card; the current contractor is Truist Bank.

Daily Limit

A maximum dollar value of charges that may be applied to a Cardholder's purchasing authority per day.

MCC

Merchant Category Code assigned to a merchant by Mastercard which identifies the primary goods or services provided by the merchant.

Monthly Limit

A maximum dollar value of charges that may be applied to a Cardholder's purchasing authority during a month.

Purchasing Card Administrator (Accounting Office)

The individual(s) in the School District Accounting Office who administers the recordkeeping and associated purchasing card authorization.

Reconciler/Delegate

Also known as the Delegate. This is the individual who reconciles Cardholder receipts and/or logs to the accounting activity records. Each cardholder must have an assigned delegate to code and reconcile.

Transaction

A charge, credit, correction or other activity associated to any Cardholder or Agency account.

Single Transaction Limit

A dollar limit that may be applied to a Cardholder's purchasing authority per transaction.

School District P-Card Program

A set of key controls and objectives that the St. Lucie County School District establishes to maintain proper procedures in the Purchasing Card Program.

The procedures contained in this manual apply to all School District employees who have been issued a School District Purchasing Card or who have direct or delegated responsibilities under the Purchasing Card system.

III. GENERAL

Purchasing cards will be issued to those people who are in a fiscally responsible position and may only be used for official, School District-related purposes. Purchases must follow appropriate state laws and School District rules and policies and must be made with reasonable judgment. Please refer to your P-Card agreement for appropriate use of the P-Card.

Any employee who knowingly and willingly makes purchases or attempts to make purchases that violate state laws, School District purchasing card policy, or procedures contained in this manual or assists another employee in such purchases, or fails to report a known violation, may be subject to disciplinary action in accordance with the Purchasing Card User Agreement. Use of the District issued P-Card for any personal expenses, whether intentional or unintentional is strictly prohibited and can result in immediate suspension of your P-Card.

All transactions conducted within the State of Florida are exempt from State Sales and Use tax. Federal or local taxes are not exempt. The cardholder is responsible for notifying the merchant of the district's sales tax exemption status, and seeking a refund of any sales taxes charged in error. Any charges for sales tax that are not refunded can be designated as the cardholder's responsibility.

The merchant should ship the delivery receipt and the item purchased directly to the cardholder or designated departmental receiving point. Under no circumstances shall items be sent to the Cardholder's residence.

There will be one primary Reconciler/Delegate at the school/department level. The reconciler/delgate at the school/department will examine and assign accounting codes to outstanding P-Card transactions via the Truist Bank ESP system, and will turn in detailed vendor receipts for each purchase. Accounting will verify that the charges meet appropriate P-Card guidelines.

Purchasing Cards will be immediately canceled and destroyed if the Accounting Department is notified that:

* Cardholder terminates employment
* Cardholder no longer requires a Purchasing Card
* Cardholder reports the loss or theft of Purchasing Card
* Cardholder misuses the Purchasing Card
* Termination of any grant, contract or budget authority for which the card was issued exclusively.

Infraction Policy:

Cardholders who violate the terms of the Purchasing Card User Agreement will be subject to disciplinary action up to and including termination of employment and prosecution to the fullest extent of the law.

IV. GUIDELINES

A. Card Issuance and Cancellation

The Purchasing Card Administrator(s) (Accounting) is/are responsible for all card issuance and cancellation.

Cards must be returned to the Purchasing Card Administrator(s) (Accounting) when cardholder terminates employment with the School District or when cardholder no longer requires a card.

B. Purchasing Card Limitations and Restrictions

Procurement cards are intended primarily for School Board Business and any personal use is strictly forbidden, including but not limited to the following:

- Gifts for adults
- Internal Accounts Purchases
- Alcoholic beverages of any kind
- Tobacco products of any kind
- Adult entertainment of any kind, including, but not limited to, adult entertainment facilities (e.g., strip clubs, “gentlemans’ clubs”, “ladies’ clubs”, and restaurants housed inside adult entertainment facilities), adult books, adult videos, adult websites, pornographic materials, escort services, or intimate apparel
- Food or beverages not provided to students (e.g., meals while traveling on School Board business)
- Gift cards, gift certificates, vouchers, passes, or the like
- Highway toll passes or vouchers, such as SunPass, or the like
- Tips or gratuities
- Cash advances
- Telephone or long distance calling cards, or pre-paid cellular service
- Gambling, gaming, wagering, lottery activities, or the like, including restaurants or shops housed in gambling, gaming, or wagering facilities
- Medicines of any kind, including, but not limited to, prescription medications, over-the-counter medications, vitamins, or supplements
- Medical or dental treatment of any kind
- Any purchase which exceeds budgeted funds available for the purchase
- Any item for the personal use of the cardholder and/or his/her friends or family
- Any item that does not serve the educational mission of the School Board and/or does not serve a public purpose

Any other use of the card determined by the Board or Superintendent as inappropriate

The Purchasing Card Administrator(s) (Accounting) establishes and maintains cardholder profiles.

C. Purchasing Card Security

All purchasing cards are issued in the name of a specific individual. The individual whose name appears on the face of the card is responsible for safekeeping and proper use of the card. If a cardholder is absent for an extended period of time, the school or department should seek to obtain another card for a different designated employee, either temporarily or permanently. Each cardholder is responsible for the security of his/her card. All precautions should be used to maintain confidentiality of all information relating to the card, such as the cardholder account number and expiration date.

The Purchasing Card account number should never be left in a conspicuous place.

D. Reconciliation of Charge Receipts

Reconciliations between the cardholder's charge receipts and what is reported as being charged by Truist Bank must be prepared no less frequently than monthly, by the 8th of the month following the statement end date. Any differences between receipts submitted by cardholder to charges made by Truist Bank must be explained and supported by the cardholder. Unauthorized charges should be disputed and reported immediately

The Reconciler is responsible for sending all appropriate receipts to the Accounting Department for review. The Accounting Department will review receipts for appropriateness of purchases.

E. The Payment Process

The School District is responsible for assigning persons to authorize payment of purchasing charge receipts.

The Reconciler must be independent of cardholders.

Purchasing card charges are received by the School District as they occur and must be paid on a monthly basis.

Purchasing card Reconcilers must have confirmation of receipt of goods from the cardholders before payment can be authorized and reconciled statements can be turned into Accounting.

F. Missing Documentation:

If, for some reason, the cardholder does not have documentation of the transaction to send with the statement, the cardholder must try to obtain a copy and if this is not possible, details of the purchase must be attached. The information will include a description of each item, the number of items purchased, the unit cost, the date of purchase, the vendor’s name, and why there is no supporting documentation. Continued incidents of missing documentation will result in the cancellation of the employee’s procurement card.

G. Disputes:

If items purchased with the procurement card are defective, the cardholder must return the items(s) to the vendor for replacement or credit. If the service paid for with procurement card is faulty, the vendor must be notified and asked to correct the situation or provide a credit. If the vendor refuses to replace or correct the faulty item or service, the purchase will be considered in dispute.

It is essential that the time frames and documentation requirements established by the procurement card issuer (Truist Bank) be followed to protect the cardholder’s rights in dispute.

The Accounting Department must be notified of all disputed items. All documentation concerning the disputed items will be turned into Accounting as soon as possible. Disputes may be filed by contacting Truist at the number identified on the P-Card. The reconciler and Accounting Department should remain apprised of the status of disputed items.

V. PROCEDURES

1) The Director of Financial Reporting and School/Department Heads will:
   a) Recommend potential cardholders, reconcilers, and appropriate backups.
   b) Ensure that potential cardholders are not assigned to reconcilers who are related to them.
   c) Ensure that employees who will be issued a purchasing card or have been delegated responsibilities under the purchasing card system meet the purchasing card requirements and have duties or responsibilities commensurate with the establishment of spending limits.
   d) Notify the Purchasing Card Administrator(s) (Accounting) of changes in either a cardholder's or reconciler's status.
   e) Ensure that cardholders who terminate employment or transfer stop using the purchasing card immediately upon notification of the termination (or transfer), and reconcile all outstanding purchasing card transactions with the appropriate reconciler prior to termination (or transfer).
   f) Collect purchasing cards from employees who terminate from or transfer within the School District.
   g) Collect cards, then cut in half and submit to the Purchasing Card Administrator(s) (Accounting).
2) Cardholders will:
   a) Sign a Purchasing Card User Agreement; acknowledge their responsibilities with respect to use of the card.
   b) Follow appropriate state laws and School District guidelines and use good judgment when makingpurchases. Abuse or misuse of this privilege subjects cardholder to disciplinary action.
   c) Ensure the physical security of the purchasing card and protect the account number, and report lostor stolen cards or unauthorized charges to Accounting immediately.
      i) The cardholder will make payment to the School District for any unauthorized charges if the cardholder fails to report the card as lost or stolen. If charges are not repaid, the School District may take disciplinary action, up to and including termination and legal action.
   d) At time of purchase, request that State Sales and Use taxes not be charged to the purchasing card account.
   e) Obtain, sign and forward purchasing card receipts to the Accounting by the 8th of the month following the statement period end date. All receipts shall include the appropriate accounting code to be charged.
   f) If a receipt is lost or the cardholder cannot obtain a receipt, a replacement receipt form may be substituted on an exception basis.
   g) Identify disputed items and contact merchant directly to resolve dispute: document all attempts at dispute resolution. If a cardholder returns merchandise, a credit should be issued to the cardholder's purchasing card account and a credit receipt obtained. Under no circumstances may a cardholder receive cash. If the merchant refuses to resolve the dispute, the cardholder must file a dispute with Truist Bank.
   h) Upon termination of employment or transfer to a position within the School District ineligible for a P-Card:
      i) Stop using the purchasing card prior to termination or transfer;
      ii) Return the purchasing card to the P-Card Administrator(s) or Department Heads: and
      iii) Reconcile all outstanding purchasing card transactions
3) Reconciler/delegate (or back-up Reconciler) in Department will:
   a) Will review procedures on the use of purchasing card.
   b) Ensure purchase receipts are accounted for and sent to Accounting in a timely manner.
   c) Monitor purchasing card transactions on a regular basis to ensure that transactions are received by the reviewer promptly.
   d) Track disputed purchasing card items daily to ensure that the appropriate credit is received and notify cardholder if expected credit is not received on the next reconciliation report.

e) Notify the Purchasing Card Program Administrator(s) (Accounting) when unusual or restricted transactions appear on the account.

4) Accounting Department will:

a) Review all charges, monthly, to ensure that charges are allowable in regards to the P-Card agreement.

b) Ensure that any charges deemed unallowable by the P-Card agreement are supported by direct approval from Michelle Thomas. If no approval is provided the cardholder will be subject to a written notice identifying that borrowing of district funds is prohibited and future occurrences will result in P-Card termination AND the cardholder will reimburse the district for the unallowed charge.

c) Make sure that all charges are coded and approved by the appropriate delegate and cardholder.

St. Lucie
PUBLIC SCHOOLS

Purchasing Card User Agreement FY2023-2024 FY2024-2025

EMPLOYEE NAME:______________________

SCHOOL/DEPT:_________________________

ROLE (choose one): ◯ **CARDHOLDER** / ◯ **DELEGATE**

READ CAREFULLY BEFORE SIGNING
THIS IS A LEGALLY BINDING CONTRACT AND MUST BE SIGNED IN ORDER TO BE ISSUED A PURCHASING CARD.

The St. Lucie County School Board has determined that it would be in its best interest to issue a Purchasing Card (P-Card) to you. This decision is at the discretion of the Board, Superintendent, and/or his/her designee, and may be revoked for any reason.

By signing below, you agree and acknowledge that the use of the P-Card is a privilege, not a right. Use of the P-Card is solely for School Board business and any personal use is strictly forbidden.

Use of the P-Card is intended primarily for:

- Conference registrations, materials, and expenses related to travel on official School Board business
- Dual-Enrollment Textbooks
- Wellness Manager Expenses (exempt from items listed below, but MUST be School Board related)
- Superintendent (exempt from items listed below, but MUST be School Board related)
- Legal Services (i.e. Court reporter, medical records, PACER, Clerk of Court documents)
- McKinney-Vento and related grant program purchases in compliance with grant award notifications (exempt from items listed below, but MUST be School Board related)

Use of the P-Card is expressly forbidden for any of the following types of purchases, unless specifically permitted:

- Gifts for adults
- Internal Accounts Purchases
- Alcoholic beverages of any kind
- Tobacco products of any kind
- Adult entertainment of any kind, including, but not limited to, adult entertainment facilities (e.g., strip clubs, “gentlemans’ clubs”, “ladies’ clubs”, and restaurants housed inside adult entertainment facilities), adult books, adult videos, adult websites, pornographic materials, escort services, or intimate apparel
- Food or beverages not provided to students (e.g., meals while traveling on School Board business)
- Gift cards, gift certificates, vouchers, passes, or the like
- Highway toll passes or vouchers, such as SunPass, or the like
- Tips or gratuities
- Cash advances
- Telephone or long-distance calling cards, or pre-paid cellular service
- Gambling, gaming, wagering, lottery activities, or the like, including restaurants or shops housed in gambling, gaming, or wagering facilities
- Medicines of any kind, including, but not limited to, prescription medications, over-the-counter medications, vitamins, or supplements
- Medical or dental treatment of any kind
- Any purchase which exceeds budgeted funds available for the purchase
- Any item for the personal use of the cardholder and/or his/her friends or family
- Any item that does not serve the educational mission of the School Board and/or does not serve a public purpose
- Any other use of the card determined by the Board or Superintendent as inappropriate

By signing below, you further acknowledge and agree that:

- You are responsible for protecting the P-Card at all times from unauthorized use
- You are responsible for ensuring that sales tax is not charged on P-card purchases, and obtaining a refund of any taxes that are inadvertently charged
- You are responsible for submitting detailed vendor receipts to Accounts Payable to support all charges made to the P-Card within 14 days of the use of the P-Card
- You are responsible for reporting a lost or stolen P-Card immediately
- Florida's "Sunshine Laws" provide that P-Card receipts and invoices are public record, subject to review by any interested person
- Unauthorized use of the P-Card is considered **fraud** and is strictly forbidden
- If the P-Card is used for any unauthorized purchase, you must notify the School Board within 24 hours of the incident or your knowledge/awareness of the unauthorized purchase. If the P-card is used for an unauthorized purpose the cardholder may be subject to consequences including, but not limited to:
  - Reimbursement by the cardholder to the School Board for the amount of the unauthorized purchase by cash, check, or payroll deduction, and/or
  - Revocation of the P-Card, and/or
  - Termination of employment, and/or
  - Prosecution to the fullest extent of the law

The undersigned hereby agrees to the preceding terms and conditions for P-Card assignment and use.

Employee Signature:____Date: ______________

Please return the signed form to Finance.

For Cardholders Only - List your delegate(s):