

EAST STROUDSBURG AREA SCHOOL DISTRICT

SECTION: FINANCES

TITLE: PROCUREMENT CARDS

ADOPTED: April 20, 2015
DRAFT

625. PROCUREMENT CARDS	
1. Purpose SC 510	<p>The Board approves the use of procurement cards for permissible purchases and/or services to be purchased for the official use of the East Stroudsburg Area School District by designated employees to improve the efficiency of purchasing activities, reducing processing expenses, improve controls for small-dollar purchases, and streamline vendor payment. The Board directs the administration to establish safeguards to prevent misuse of such cards.</p> <p>The Board shall approve the list of employees authorized to use District procurement cards.</p> <p>Misuse insurance of \$100,000 shall be provided by the procurement card vendor.</p>
2. Definition	<p>Procurement Card - a corporate charge card designated to reduce the cost and administrative burden of small-dollar purchases.</p>
3. Delegation of Responsibility	<p>A list of authorized users of procurement cards shall be maintained in the Business Office and shall include employees in designated positions.</p> <p><u>Administration will provide the Board with a list of authorized users of procurement cards and shall notify the Board of any additions and/or deletions.</u></p> <p>All use of procurement cards shall be supervised and monitored on a regular basis by the Business Manager<u>Chief Financial Officer</u> and the Superintendent who shall ensure the use of such cards is in accordance with the funds budgeted for this purpose.</p> <p>Proper accounting measures for the use of procurement cards shall be developed, distributed, implemented and monitored by the Business Manager<u>Chief Financial Officer</u> and the Superintendent.</p> <p><u>The Chief Financial Officer shall annually review all procurement card credit limits and make adjustments to minimize District exposure.</u></p> <p>An employee authorized to use a procurement card shall maintain adequate security</p>

~~of the card while it is in his/her possession. Under no circumstances may the card be used by another individual.~~

Responsibilities of the Cardholder include:

1. Read and understand this policy and the Procurement Card Employee Usage Agreement.
2. Keep the procurement card number confidential and secure; lending or sharing the card is not allowed.
3. Immediately notify the Chief Financial Officer of loss or theft of the card.
4. Comply with the per-transaction and overall monthly limit on the procurement card.
5. Never “split” the cost of a single item (whether good or service) into multiple payments in order to circumvent the per transaction limit of the procurement card.
6. Purchase only school business goods and services.
7. Inform the vendor that the purchase is exempt from PA sales tax. If the vendor will not grant a sales tax exemption, note the vendor’s refusal on receipt.
8. Submit sufficient documentation within each billing cycle including original receipts and explanation to support the business purpose of each purchase on the card to the Business Office.
9. Do not accept cash or a due bill for a return; instead a credit must be applied to the account.
10. Credit slips are to be processed similar to itemized receipts.
11. Surrender the card upon reassignment or termination of employment (i.e., retirement or voluntary/involuntary termination).

Pol. 317, 417, 517

Failure to use the card in compliance with this policy, or failure to provide sufficient documentation within each billing cycle may result in suspension or revocation of the procurement card and possible disciplinary action including, but not limited to, employee termination, as well as the filing of criminal charges.

The card is to be used for school district purchases only. Card use for personal purchases is strictly prohibited.

<p>4. Guidelines</p> <p><u>SC 751, 807.1</u> <u>Pol. 610, 611, 612, 613</u></p> <p>Pol. 317, 417, 517</p>	<p><u>The cardholder is responsible for the validity of each purchase.</u></p> <p><u>Improper use of the card may be considered misappropriation of district funds which may result in disciplinary action, up to and including termination, in accordance with Board policy.</u></p> <p>Each employee using a District procurement card shall sign a <u>Procurement eCard Employee Usage Agreement</u> and receive training on applicable policies and procedures. <u>By signing the agreement form, that individual accepts the responsibility for the protection and proper use of the card.</u></p> <p><u>Periodic audits for card activity and retention of sales receipts and documentation of purchases will be performed by the Business Office.</u></p> <p><u>Procurement cards shall not be used to circumvent the required bidding process. Purchases shall require the use of a purchase order in accordance with established Board policy and procedures.</u></p> <p>Procurement cards shall be used only for authorized District purchases and shall not be used for personal purchases, or other use that is contrary to laws, regulations or internal policies. The District retains the authority to revoke any procurement card used for unauthorized or personal purposes.</p> <p>Violation of this policy by an employee shall result in disciplinary action, in accordance with Board policy.</p> <p>The established procedure for processing purchases by employees using procurement cards shall be as follows:</p> <ol style="list-style-type: none"> 1. Employee deals directly with the authorized vendor for any disputed transactions including sales tax. 2. Business Office receives the billing statement for payment. 3. Cardholder verifies receipt of purchased items, reconciles the billing statement with purchases, attaches receipts, indicates account numbers, and signs as correct. 4. Supervisor reviews all information on the cardholder's information, verifies that all receipts are attached and signs for approval.
--	--

<p>SC 510, 751, 807.1</p> <p>SC 751, 807.1 — Pol. 610, 611, 612, —— 613</p>	<p>Purchases on his/her assigned procurement card by an individual employee shall not exceed the following:</p> <p>1. Transaction limits will be established for each card by the Business Office. Requests to change these limits must be made in writing to the <u>Business Manager</u>Chief Financial Officer with full justification.</p> <p>2. Fixed expiration period will be in compliance with our fiscal calendar year July 1 through June 30.</p> <p>The following list includes but is not limited to items authorized for purchase without obtaining bids or quotes by employees using procurement cards:</p> <ol style="list-style-type: none">1. Stationery, office supplies2. Instructional supplies3. Minor repair items4. Computer equipment, parts and accessories5. Food for use in curriculum6. Food and specialty items for cafeteria7. Industrial technology supplies8. Recurring utility bills9. Other categories as deemed necessary <p>Procurement cards shall not be used to circumvent the required bidding process.</p> <p>References:</p> <p>School Calendar<u>Code</u> – 24 P.S. Sec. 510, 751, 807.1</p> <p>Board Policy – 317, <u>417, 517</u>, 610, 611, 612, 613</p>
--	--

--	--