

Use of District Purchasing Cards

The District recognizes that the use of purchasing cards is a customary business practice that reduces payment processing time, provides more purchasing flexibility and control to schools and departments, and reduces transaction handling costs. Accordingly, the district has authorized their use for district purchases, acquisitions, authorized course registration, dues, and travel. The District shall maintain a written agreement with the card provider (bank). The superintendent or his/her designee shall act as the program administrator of the purchasing card program.

Credit Limits

Credit limits for each card are established by the superintendent.

Distribution of Purchasing Cards

Purchasing cards may be issued in a variety of formats depending on the needs of the district. Purchasing cards may be issued to individual employees for on-going needs. A purchasing card may also be issued to a school or department to be signed-out to staff for specific purchases.

Employee Issued Purchasing Cards

Purchasing cards issued to employees offer the highest level of security and are the district's preferred method. Purchasing cards will be issued to employees based on their need to purchase materials for the district and/or provide for district travel. Each card will identify the individual card holder and also clearly identify the card as belonging to the Green Mountain School District. Potential cardholders must:

- Be approved by the superintendent.
- Must receive initial training prior to being issued a card.
- Must read, understand, and sign a Memorandum of Understanding – User Agreement.

The Memorandum of Understanding – User Agreement shall define the appropriate use of the purchasing card, steps to take in the event the purchasing card is lost or stolen, requirements for submitting documentation of allowable charges, criteria for cancellation of card privileges, and provision for collecting reimbursement for unauthorized charges.

The cardholder must complete additional training as required.

In the event of the employee's transfer or separation of service from the district, the purchasing card shall be immediately surrendered to the Office Manager. Purchasing cards must also be immediately surrendered upon demand or request of the superintendent or his/her designee at any time for any reason.

Department Issued Purchasing Cards

A purchasing card issued to a department presents a higher risk of fraud and requires additional safeguards. These purchasing cards will be issued to departments based on the need for individual staff members to occasionally purchase materials for the district and/or provide for district travel. Each card will identify the school or department and also clearly identify the card as belonging to the Green Mountain School District. A custodian of the school or department purchasing card must be appointed with the following criteria:

- Be approved by the superintendent.
- Must receive an initial training prior to being issued a card.
- Oversee the check-out and check-in procedures.
- Safeguard the purchasing card while in their possession.

Purchasing Card Check-Out and Check-In Procedures

Individual staff members requiring use of the department purchasing card must:

- Complete a Purchasing Card Check Out/In form
- Adhere to the district's allowable and non-allowable purchasing card policy/procedures.
- Safeguard the purchasing card while within their possession.
- Return the department purchasing card within one day after the transaction is complete or one day after returning from travel.
- Provide documentation in detail and supported by original, itemized receipts within one day after the transaction is complete or returning from travel.

Allowable Charges

Purchasing cards will be used for the payment of authorized expenses on behalf of the district which include supplies, dues, registrations, and travel.

Use of purchasing cards for travel must be consistent with travel guidelines set forth in Procedure 6213P – Travel Expenses. Purchasing cards may not be used for employee meals while traveling which will be reimbursed to employees on a meal per diem basis, unless a pre-authorized exception has been granted by the superintendent.

Any purchase of equipment over \$5,000 must be pre-approved and be bar-coded for fixed asset tracking consistent with district guidelines.

All charges must be documented in detail and supported by original, itemized receipts.

Non-Allowable Charges

Purchasing cards may not be used by an unauthorized individual. Purchasing cards may not be used for the following:

- Cash advances
- Salary and wages

- Gifts, gift cards, flowers
- Floral arrangements unless pre-authorized
- Donations to charity
- Personal services or consultant agreements
- Personal use or non-district purposes
- Purchases of goods for which the district has a bid
- Restaurant meals for employees within the boundaries of the district unless pre-authorized
- Fixed assets over \$5,000 unless pre-authorized

Pre-authorization and/or exceptions to allowable and non-allowable charges must be obtained from the superintendent.

Payment of the Purchasing Card Bill

Payment of the purchasing card bills will be by district warrant or electronic funds transfer and will adhere to the purchasing card agreement between the card provider (bank) and the district.

The cardholder must provide documentation of all charges. This documentation shall consist of itemized merchant receipts of all transactions. Card account statements provided by the bank shall be reconciled by the cardholder or budget authority/designee within the deadlines established by the Office Manager. Each transaction on the statement must be verified against itemized receipts. The superintendent must review and approve all purchases listed and documented on the monthly card account statements.

Documentation and approval of all card transactions will be subject to audit by the Office Manager and the State Auditor's Office.

Recourse for Disallowed Charges and Misuse of the Purchasing Card

Any charges against the purchasing card not properly identified or not allowed following the audit required under RCW 42.24.080 shall be paid by the cardholder by check, United States currency, or a salary deduction.

If, for any reason, disallowed charges are not repaid before the purchasing card billing is due and payable, the district shall have a prior lien against and a right to withhold any and all funds payable or to become payable to the cardholder to an amount of the disallowed charges and/or interest at the same rate as charged by the card provider.

Any cardholder who has been issued a purchasing card shall not use the card if any disallowed charges are outstanding and shall surrender the card upon demand of the superintendent or his/her designee.

Green Mountain School District No. 103

Effective Date: 5/23/2018

Procedure 6212P

Section: Management Support

The district shall have unlimited authority to revoke the use of any purchasing card issued under RCW 42.24.115, and upon such revocation order being delivered to the cardholder, shall not be liable for any costs.

Loss, Theft, or Unauthorized Use of Purchasing Card

Any charges not made by the cardholder should be considered fraudulent and reported immediately to the Office Manager. The Office Manager will report the fraudulent charges immediately to the card provider and may result in the cancellation and reissue of the card. Loss of the card should be reported immediately to the Office Manager. The bank will put an immediate hold on the purchasing card.

Green Mountain School District

Classification: Essential

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