

CADDO PARISH SCHOOL BOARD

Procurement Card

User Manual

(Revised May 2018)

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PROCUREMENT CARD PROGRAM

TERMINOLOGY

Procurement card (PCard): Caddo Parish School Board (CPSB) credit card issued through the preferred and selected bank.

Procurement Card Program: the inclusive system designed to allow employees to use credit cards for small and recurring purchases.

Cardholder- User: both terms are used interchangeably and refer to the individual to whom a procurement card is issued.

Card Administrator: CPSB personnel assigned and authorized to manage the PCard program.

Employee Agreement Form: the required paperwork signed by the user, direct supervisor and Card Administrator to accept/authorize the PCard for that particular individual.

Cardholder Agreement Form: the required paperwork signed by the User upon receipt of their issued card.

Bank Provider: the financial institution that has been selected by the CPSB to service the PCard program.

JPMC: J. P. Morgan Chase, Bank Provider

Procurement Card Program Overview

The Caddo Parish School Board (CPSB) Procurement Card System is designed to allow the cardholder to handle small dollar, recurring and routine purchases. This manual specifically governs the CPSB Procurement Card System.

**Please take the time to read and understand the process
before you begin using the card.**

To begin:

1. The potential cardholder's name should be submitted to the Program Administrator with the required approvals. (See appendix Approvals)
2. The potential cardholder schedule an appointment set with the Program Administrator or her designee to complete the Cardholder Application process. This must be done in person, by the individual applying for the card. (No designees allowed.)
3. The application will be submitted to the Bank provider and a card will be issued normally within 7-10 business days.
4. Once the card has been received, the new cardholder will sign the Cardholder's Agreement and the Employee Procurement Card Agreement.

Using your card:

Purchases made with the CPSB PCard are subject to the same rules and approvals as purchases made through any other means. The **card should only be used in cases where the standard procurement system will not accommodate the purchase.** (i.e. online purchases or when a vendor does not accept purchase orders.)

It is the cardholder's responsibility to plan their procurement activities in such a manner that does not infringe on the intent or purpose of the card. *Poor planning is not sufficient justification for card use.* Any infringement may be cause for loss of card privileges.

Do's

1. Purchase only items needed for CPSB.
2. Obtain an original & detailed receipt for each purchase, to be attached to monthly statement.
3. Comply with CPSB Policy DJEAA which governs the procurement card program.
4. Obtain approval from account administrator BEFORE making a purchase.

Don'ts

1. Purchase items that are not for CPSB use.
2. Exceed daily and transactional spend limits.
3. Split purchases to prevent exceeding limits.
4. Allow the vendor to charge taxes. Obtain a tax exempt form from A/P if needed.
5. Purchase services with your card.
6. Use for travel and/or entertainment expenses, unless expressly authorized by the Superintendent or his designee.
7. Allow ANYone else to use your card, even if on your behalf.

PROCUREMENT CARD PROGRAM

I. USER INTRODUCTION

IMPORTANT: The term **user or cardholder** references all users or cardholders of the **Caddo Parish School Board Procurement Card System**, whether employee or supervisor. Each user/cardholder must follow procedures as outlined below.

The Caddo Parish School Board (CPSB) Procurement Card System is designed to allow you, the user (also referred to as the cardholder), to handle small dollar purchases without the delays or paperwork that have been the routine for these kinds of transactions. This Procurement Card User Manual has been developed to help you better understand the program by providing step-by-step instructions in the use of card and by answering typical questions you may have as you begin using your card.

INITIAL AUTHORIZATION:

An employee card is to be requested by a Director, and must be approved by a Division Chief or the Superintendent before a card can be issued.

This manual specifically governs the CPSB Procurement Card System. **Please take the time to read and understand the process before you begin using the card.**

It is important to understand that the Procurement Card will be issued in your name. **It may be used only by you.** You may not delegate your authority to use the card to another person. You, the cardholder, are accountable for all purchases made with your card.

CPSB is responsible for the purchases you make with the card, but its misuse or abuse can and will result in severe consequences. Although the card is issued in your name, its use does not affect your personal credit in any way. If you have any questions in this regard, contact the card administrator.

The Procurement Card Program provides users in departments with a MasterCard credit card to use in making allowable, small dollar commodity purchases for Caddo Parish School Board business. All legitimate charges are the liability of CPSB.

- CPSB is liable for all charges made on a card. This continues up to the moment a card is reported as lost or stolen to JPMC.
- There is no personal liability on the card unless you, as the user, violate the terms of card use by making a personal purchase.
- Each card has limits which are specified by policy, the user's department head or supervisor. The maximum per card limits are as follows:
 - individual transaction (dollar) amount: \$999.99
 - daily transaction (dollar) amount: \$4,999.99
 - billing cycle transaction (dollar) amount: \$5,000
 - maximum number of transactions allowed per day: 10
 - maximum number of transactions allowed per billing cycle: 150
- The cardholder's default account (CPSB's accounting system account card code), or the account to which the transaction might be reassigned, is debited for the amount of each transaction.
- **FAILURE TO FOLLOW ALL PROCEDURES OUTLINED IN THIS MANUAL WILL RESULT IN REVOCATION OF THE CARD, DISCIPLINARY ACTION, TERMINATION AND/OR CRIMINAL PROSECUTION.**

III. USE OF THE PROCUREMENT CARD

The following are the minimum conditions-instructions-limitations required for all transactions utilizing the Caddo Parish School Board Procurement Card Program:

1. No procurement card transaction may exceed nine hundred and ninety-nine dollars and ninety-nine cents (\$999.99). Vendors must have point-of-sale (card “swipe” or chip-insert type) terminals.
2. No personal use of the procurement card will be authorized or allowed.
3. No ATM cash withdrawals will be allowed on the procurement card.
4. Only in-stock, immediate delivery items may be purchased. **No back orders!** When making telephone orders, verify the items are in stock and ready for immediate shipment before giving the card number and placing the order.
5. Telephone orders must be invoiced only at or after date of shipment. Advance orders that would cause MasterCard or CPSB to pay an invoice before receipt of the goods are not permitted.
6. Procurement card purchases are exempt from state and local taxes.
7. All purchases are to be made within the limits set and the available budget authority.
8. Services are not to be purchased with the card.
9. The procurement card shall not be used for travel and entertainment expenses, unless expressly authorized by policy, the Superintendent or his designee.
10. You must obtain itemized transaction receipts from the merchant for each use of the card.
11. You must ensure that the prices paid are fair and reasonable.
12. All items purchased are required to be bona fide CPSB business.
13. No fuel purchases are to made with this card, as a fuel management card is the designated procurement method to make these purchases.
14. If using Federal or 8G funds, approval from the account administrator must be obtained PRIOR to the purchase being made.

THE STEP-BY-STEP PROCESS

How you use the Purchasing Card is almost identical to how you use your personal credit card. Described below are 6 simple steps to using the Procurement Card to make and account for purchases. Some steps obviously have to be done by the Cardholder. Other steps will be done by the Department Supervisor (if you are the department supervisor then your immediate supervisor), the Card Administrator, the Approving Official, or a support staff person, depending upon how the department has designed its procedures. Regardless of who does what, each of the following must be done.

Step 1 - Make a purchase by going to the supplier's place of business or by telephone or by fax order to the supplier

As a matter of practice, you should use established, preferred CPSB suppliers. However, this is not absolute. Purchases from vendors not established with CPSB are permitted when the need is justified. (Remember, CPSB pays MasterCard--not the vendor).

1. Inform the supplier that your purchase is for CPSB on the MasterCard Procurement Card Program. Ask for all applicable educational and/or corporate discounts.
2. Remind the vendor that CPSB is sales tax exempt. (This is also noted on the card).
3. Instruct the vendor **not** to send an invoice to the Accounts Payable Department (as the vendor customarily does for sales by purchase order.) The vendor gets paid by MasterCard--not CPSB.
4. For ordered merchandise, inform the supplier of the proper delivery/shipping instructions (unless the transaction occurs at point-of-sale, i.e., pickups). All packages should be addressed as applicable:

Your Name
Credit Card Purchase
Your CPSB Mailing Address

Under no circumstances should the credit card number be written on the outside of a shipping box

Do not make partial purchases or orders with this card. Each order should be a complete order for whatever is wanted or needed at the time. Do not order unavailable items as your statement will not be able to be reconciled.

Do not split purchases with this card. A purchase that is split into two or more procurement card transactions to avoid the cardholder transaction limit is not allowed. Such activity constitutes improper use of the procurement card, and may precipitate privileges being revoked.

The vendor/supplier is responsible for any and all fees imposed by JPMC for both the initial setup fee to become MasterCard capable and the service charge percentage for MasterCard sales transactions. The supplier may not transfer any of these fees back to CPSB through sales transactions or by other means. The card administrator and JPMC will assist suppliers who do not currently accept MasterCard credit cards, but desire to become MasterCard capable.

Step 2 - Receive the goods and obtain a detailed receipt.

For purchases made at a store, obtain a detailed receipt at the time of purchase. Goods ordered by phone will be received by mail, package delivery service (e.g., UPS) or by freight line. Every purchase has to be documented with a receipt which will usually come in one of three forms - standard store receipt, packing slip, or order form. For ordered items you should ask the merchant to include an itemized invoice with the packing slip. This is not an invoice to be paid, but provides the itemized breakdown of the cost of the goods shipped. All receipts must contain the following information:

- Date purchase was made
- MasterCard charge slip with vendor identification and a detailed description of each item purchased, or
- An itemized vendor sales receipt, or
- An itemized vendor packing slip with itemized pricing
- Total cost of each item purchased
- Card number
- Work order, if applicable
- Approved requisition, if applicable

NOTE: If a package is lost during delivery, your first step is to contact the supplier and obtain proof of delivery. With proof of delivery, contact the appropriate staff for assistance with in-house tracking.

Step 3 - Verify that the goods received are what was ordered.

This is necessary only for goods received via the mail, UPS, or by freight carrier. Work with the vendor to correct any problems with the goods received.

Step 4 - Turn in receipts to designated departmental personnel.

To facilitate reconciliation and approval of the monthly memo statement, it is **mandatory** that you retain supplier documentation each time a transaction occurs whether the purchase was made in person or conducted by telephone.

At the end of each day, itemized receipts for any purchases made with the CPSB Procurement Card must be turned in to designated personnel as applicable. Notation must be made on the receipt as to which school (for maintenance staff purchases) or vehicle (for transportation staff purchases) or department or individual, if applicable the transaction is made for. A Transaction Log may be used to facilitate record keeping on behalf of the cardholder, if so desired. The Transaction Log is an ongoing record of information about the transactions made on your card. The form is simple and easy to use and requires a minimum amount of time to maintain. A sample of the form is included near the back of this document.

Your monthly memo card statement will detail charges billed during the month (billing cycle). This statement will contain the date, supplier name, and the amount charged. In some cases, the supplier will provide additional details; however, it is your ultimate responsibility to turn in itemized receipts daily.

1. When the monthly memo statement is received, this statement will have been reconciled. If designated personnel is unable to successfully reconcile your statement, you may be required to meet with them for assistance in statement reconciliation. When receiving this reconciled statement, you should perform the following steps:
 - a) Review the monthly MasterCard memo statement.
 - b) Verify the correctness of the memo statement.
 - c) Compare any back-up documentation you may have (Transaction Log and/or receipts) to the transactions listed on the statement.
 - d) Follow up on any exceptions; if necessary, file a Cardholder Dispute Form for any erroneous charges (see Resolving Errors/Disputes section).
 - e) If the statement is correct, and you approve that all charges were made by you for bona fide CPSB business, you must sign the cover sheet on the memo statement and forward to your supervisor for approval .

2. After his/her review, the supervisor forwards the original approved statement and all documentation to the next level ultimately going to Accounts Payable.
3. Remember to keep copies of the statements, receipts and/or Transaction Logs for your records.

It is imperative that the MasterCard Statement and all receipts be turned in to Accounts Payable on time to ensure accurate accounting for the charges. CPSB statements must be paid on time to avoid interest penalties which could be imposed by the bank.

Step 5 - Submit the memo statement and receipts.

As stated above, your monthly memo statement, and attached receipts are reviewed by you, approved and submitted by your supervisor. After all levels of review and payment to MasterCard, the Accounts Payable Department will maintain your original document file for audit and long-term records retention in accordance with the state and local laws and policies.

Step 6 - Paying the bill (reconciling monthly statements, auditing, and editing the users' memo weekly statements to the monthly credit card invoice.)

The Accounts Payable Department will make the final reconciliation of all cardholders' transactions on the MasterCard monthly invoice statement. Payment to MasterCard for all charges is made during the month following the month of charge activity. The cardholder's individual charge transactions are also charged out to the appropriate school board department and account code based on the default code number encoded in the MasterCard. If the default account tied to the card is not the one you or your supervisor wish the transaction to be charged to or if you wish to split a transaction between one or more accounts, you will need to provide that information to designated personnel when the itemized receipt is submitted. Notation will be made to make Accounts Payable aware of the account information. Payment records will be maintained in the Accounts Payable Department.

Resolving Errors/Disputes

Errors with merchandise delivery or incorrect billing will occasionally arise with the procurement card system. Problems can usually be categorized into one of the following:

- non-receipt of merchandise
- incorrect quantity delivered
- defective merchandise
- incorrect price charged
- unrecognized item on a statement
- credit not processed

The reconciliation of these problems can be reached by following the steps outlined below. When applicable, you will get credit applied to the procurement card account. Under no circumstances is the cardholder to get a cash refund. You must prepare a Cardholder Dispute Form and send it to JPMC within 10 days from the statement date on which the disputed charge appeared.

Lost or Misrouted Items (if applicable)

If a sufficient amount of time has elapsed and you have not received an item, the following steps should be taken:

1. Contact the supplier and inquire when the item was delivered and to what location.
2. Check incoming log for the date of package or carton arrival. If the goods have been received, Warehouse Receiving will assist in tracking down the material.
3. If Warehouse Receiving has no record of the incoming material, you must call the supplier and request proof of delivery.
4. Once the proof of delivery documentation has been received, pass the information to Warehouse Receiving for assistance.
5. If the supplier cannot supply this documentation, he should realize that your order was not shipped and should make arrangements to deliver the desired product.
6. If satisfactory resolution cannot be reached, call the card administrator.

Incorrect Quantity or Defective Product

You should always check incoming material as soon as it is received to ensure that the product matches what was ordered in quantity and quality. If any discrepancies are noted, the following steps should be taken.

1. Contact the supplier and attempt to resolve the issue over the phone.
2. If no settlement can be reached, call the 800 number listed on the back of the procurement card. Complete the Dispute Form and fax the information to JPMC.
3. JPMC vows to resolve all disputes as soon as possible within 90 days. It may be necessary to reorder the item in the interim, but CPSB will receive all deserved credit. If an item must be returned to the supplier, obtain a Return Merchandise Authorization from the supplier in order to ship material back to the vendor.

Statement Discrepancies

If discrepancies are noted on the monthly MasterCard memo statement (for quantity, price, duplicate billing, no credits from prior transaction, billing for item not received), the following steps should be taken.

1. Contact the supplier and try to reconcile the difference. Make notes on the status. Keep a record of all your telephone calls to the supplier.
2. If the supplier does not agree that an error has been made, contact the Customer Service Department at JPMC using the 800 number on the back of your Procurement Card. State that you would like to dispute a charge on your card. Complete the cardholder Dispute Form and either fax or mail the form to JPMC. The amount of the next statement will be reduced by the amount of the disputed item until the question is resolved.
3. Any charge you dispute must be identified on the form immediately. A copy of the dispute form must be given to designated departmental personnel, as applicable, on the day of filing the dispute. Disputes will then be resolved by JPMC within 90 days.
4. You are responsible for the transactions identified on your statement. When an audit of your account is conducted, proof that the transaction occurred must be of file. If an error is discovered, proof that the error or dispute resolution process has been invoked must be on file.

Making Returns/Shipping

Your department/area will be responsible for preparing an order for return of an item to the vendor. Both you and the designated departmental personnel, as applicable will receive a copy of the shipping order.

Restocking Fees

When goods are returned through no fault of the supplier, the supplier may charge a restocking fee. If this occurs, you must notify the designated departmental personnel of the restocking charge so that the charge can be reconciled with the monthly MasterCard memo statement.

Routing Instructions

Shipments up to 150 pounds can be shipped UPS. For shipments exceeding 150 pounds, contact the Warehouse Manager, 318-688-4632, for assistance. Truck Lines may also be used. You must notify the designated personnel of any shipping charges so that the charges can be reconciled with the monthly MasterCard memo statement.

Any freight charges associated with a MasterCard transaction must be charged to the MasterCard account number. Do not charge freight to any other CPSB customer or account number.

Auditing

All MasterCard statements and itemized receipts will be reviewed to ensure that procurement card procedures are properly practiced. Failure to follow the proper procedures could result in revocation of card privileges.

The primary purpose of an audit is to ensure the proper expenditure of funds under this program. A secondary purpose is to track data on how, where, and for what purpose the cards are used. As a result of the audit, the procurement card program may be more properly designed for future use and be assured that the program is beneficial.

Auditing may consist of the following:

- Comparison of cardholder-supplied information (memo statement and supporting receipts) to JPMC MasterCard record.
- Personal visits by auditors and/or card administrator to review cardholder receipts and records.

Annual Inventory of Procurement Cards

On an annual basis, the purchasing department will provide a list of cardholders for each department. Departments will conduct a physical inventory of purchasing cards and provide a report to the purchasing department the results of the inventory.

Lost or Stolen Procurement Cards

Should you lose your procurement card or if it is stolen, it is your responsibility, as the cardholder, to **immediately** notify the MasterCard issuer and the card administrator of the loss. The telephone number of the MasterCard issuer is **1-855-886-7638**. This number is also shown on the back of the MasterCard.

In addition to notifying the procurement card issuer and the card administrator, you must also notify your supervisor of the lost or stolen card **within one workday** after the discovery of the loss or theft.

You will be required to file a lost/stolen affidavit with the purchasing department **within THREE (3) workdays**. The affidavit will include complete information on the lost or stolen card, the date the loss or theft occurred, the purchases that you made prior to the loss or theft, and any other information that may be considered relevant or pertinent for card cancellation and/or card recovery. If the procurement card is known to be stolen, a police report may be required and a copy of the report attached to the "lost/stolen affidavit".

Violations And Consequences

Below are five types of cardholder violations and an explanation of what is an appropriate consequence for each violation. Your department supervisor (if you are the department supervisor then your immediate supervisor), the card administrator, and the purchasing department have the authority to cancel a card at any time.

Violations:

1. Personal purchase(s)
2. Cash or cash type transactions
3. Split purchases
4. Inappropriate purchases
5. Lack of supporting documentation

Consequences:

1. Personal Purchase(s)

Definition: A personal purchase is anything that is not purchased for the use and ownership of CPSB.

Violation: It is a cardholder violation to make **ANY** personal purchases or transactions with the Procurement Card or by any other purchase method. It is against the law to use government funds, local, state or federal, to purchase items for personal use. Even though you may have intentions to pay CPSB back, it is still considered a fraudulent act.

Consequence: If a personal purchase is made, CPSB will be reimbursed immediately for the amount of the personal purchase by payroll deduction. The card will be canceled. The violation of this policy will be investigated and recorded in the employee's personnel file. It may result in disciplinary action, termination and/or criminal prosecution. In the event of willful or neglectful violation of this responsibility, CPSB will take any and all recovery actions deemed appropriate and permitted by law.

2. Cash Or Cash Type Transactions

Definition: Cash, cash in addition to purchase, cash in lieu of credit to account, travelers checks, money orders, gambling, ATM transactions, etc.

Violation: It is a cardholder violation to receive cash or make a cash type transaction using the Procurement Card.

Consequence: The card may be canceled and the violation of this policy will be investigated. It could result in disciplinary action, termination and/or criminal prosecution. In the event of willful or neglectful violation of this responsibility, CPSB shall take any and all recovery actions deemed appropriate that and permitted by law.

3. Split Purchases

Definition: Split transactions are defined as single items costing more than \$999.99 which are split between multiple transactions to circumvent the \$999.99 limit.

Violation: It is a cardholder violation to split purchase as defined herein.

Consequence: The card may be revoked, and the cardholder will be required to obtain further training before the card is reinstated.

4. Inappropriate Purchases

Definition: Any purchase that is a violation as set forth in this guide, the laws of the State of Louisiana, and the purchasing policies and procedures of CPSB. The Procurement Card is to be used for small dollar purchases of commodity items ONLY. No contractual items or services or 1099 reportable items or any other purchases not allowed by the intent and purpose of the Procurement Card Program are allowed.

Violation: It is a cardholder violation to purchase any inappropriate items or services on the Procurement Card.

Consequence: Any violation of this policy will be investigated and could result in disciplinary action, termination and/or criminal prosecution. At a minimum, the Cardholder will receive a warning and may be required to obtain additional training on use of the program. Chronic abuse will result in cancellation of the card and will be investigated as a personal purchase.

5. Failure To Provide Supporting Documentation

Definition: Each transaction on the Procurement Card must be represented by an itemized receipt or other acceptable means of documentation that verifies the date of purchase, the vendor or merchant's name, each item purchased and the price of each item. If a purchase is made without receiving a receipt, it will be the cardholder's responsibility to return to supplier to obtain the original or a duplicate receipt.

Violation: Lack of supporting documentation for a transaction is a cardholder violation.

Consequence: Violations of this policy will be investigated and could result in disciplinary action. Human error and patterns of chronic abuse will be considered. At a minimum, the cardholder will receive a warning and may be required to obtain additional training on use of the program. Chronic abuse will result in cancellation of the card and will be investigated in the same manner as a personal purchase.

Transfer and Termination

If you, as a cardholder, leave your department for any reason (transfer, resignation, retirement, extended leave, termination, etc.), your procurement card must be collected and destroyed. The department supervisor (if you are the department supervisor then your immediate supervisor) is required to collect the card from the employee prior to severance and to notify and forward the card to the card administrator. The card administrator will destroy the card and will, in turn, notify the card issuer and appropriate CPSB departments that the card has been taken out of service and destroyed.

In the event of your transfer to another department or to another supervisor's area of responsibility, it will be up to the new supervisor or department head to determine if you retain the procurement card in the new position. It should be remembered that the default fund is attached to the card and that this fund account may need to be changed for subsequent card use in another department.

In the event the department supervisor (if you are the department supervisor then your immediate supervisor) is not able to collect the card when an employee severs CPSB service, the department supervisor (if you are the department supervisor then your immediate supervisor) shall immediately notify the purchasing department or card administrator to insure the procurement card is immediately canceled. The verbal notification shall be followed up in writing. The card administrator will notify the MasterCard issuer to cancel the card to prevent further use of the card.

APPENDIX

PROCUREMENT CARDS (CPSB POLICY DJEAA)

The Caddo Parish School Board authorizes the use of procurement cards. Use of the procurement card shall be governed by the procedures and definitions specified in the *Caddo Parish School Board Procurement Card User Manual*.

MAXIMUM PROCUREMENT CARD PURCHASE LIMITS

The *Purchase Limits* established for the individual cardholder(s) per department shall not exceed the following guidelines (except transactions defined under *Use of Procurement Card for Travel*):

Individual transaction (dollar) amount:	\$ 999.99
Daily transaction (dollar) amount:	\$4,999.99
Maximum billing cycle transaction (dollar) amount:	\$5,000.00
Maximum number of transactions allowed per day:	10
Maximum number of transactions per billing cycle:	150

USE OF THE PROCUREMENT CARD

Use of the Caddo Parish School Board Procurement Card Program shall be in accordance with the following minimum conditions, instructions, and limitations:

1. No procurement card transaction shall exceed the limits as set above. Vendors must have point-of-sale ("card swipe" type) terminals, except for those transactions defined below under *Use of Procurement Card for Travel*. Online purchases are permitted for in-stock items only. Invoices should be printed and included in monthly documentation as required.
2. No personal use of the procurement card shall be authorized or allowed.
4. No ATM cash withdrawals or other cash advances shall be allowed.
4. Only in-stock, immediate delivery items shall be purchased. Back orders shall not be permitted. Verification that items are in stock and ready for immediate shipment shall be made before giving the card number and placing an order by telephone.
5. Telephone orders shall be invoiced only at or after date of shipment. Advance orders that would cause MasterCard or Caddo Parish School Board to pay an invoice before receipt of the goods shall not be permitted.
5. Procurement card purchases shall be exempt from state and local taxes.

7. All purchases shall be made within the limits set and the available budget authority.

7. Services shall not be purchased with the card.

9. The procurement card shall not be used for travel and entertainment expenses, except as allowed under *Use of Procurement Card for Travel*, below.

10. Card users shall obtain itemized transaction receipts from the merchant for each use of the card.

11. Card users shall ensure that prices paid are fair and reasonable.

12. All items purchased shall be for bona fide Caddo Parish School Board business.

13. If using Federal funds or Grant monies approval from the fund administrator must be obtained prior to the purchase being made.

AUDITING

All procurement card statements shall be reviewed to ensure that procurement card procedures are properly practiced. Failure to follow the proper procedures may result in revocation of card privileges. The primary purpose of an audit is to ensure the proper expenditure of funds under this program. A secondary purpose of an audit is to track data on how, where, and for what purpose the cards are used.

Auditing may consist of the following:

- Comparison of cardholder-supplied information (memo statement and supporting receipts) to procurement card record.
- Personal visits by auditors and/or administrator to review cardholder receipts and records.

PROCUREMENT CARD ABUSE AND DISCIPLINE

The cardholder's supervisor, the card administrator, and the purchasing department shall have the authority to cancel a card at any time due to cardholder violations. Abuse of the procurement card shall result in revocation of the card and appropriate disciplinary action may include termination. Policy violations shall include, but not be limited to:

- Purchasing items for personal use
- Exceeding the cardholder's credit line limit
- Using the procurement card for travel and entertainment purposes, except as allowed under *Use of Procurement Card for Travel* below
- Failure to return the procurement card when the user is reassigned, terminated, or upon request
- Failure to submit proper documentation to the appropriate accounts payable group
- Any other violation as listed in the *Caddo Parish School Board Procurement Card User Manual*

RIGHT TO CANCEL CARD

The Caddo Parish School Board reserves the right to cancel any card at any time for any reason.

USE OF PROCUREMENT CARD FOR TRAVEL

Procurement cards for the School Board, Superintendent, Division Chiefs, and Directors may be used for making travel arrangements. Other procurement cards may also be authorized by the Superintendent or his/her designee(s) as needed for making other travel arrangements.

REQUEST AUTHORIZATION

Requests must be approved by the Director and Chief for the requisite division prior to the request being submitted to the Program Administrator.

Revised: June 19, 2018

Ref: La. Rev. Stat. Ann. §17:81; Board minutes, 11-18-03, 2-15-05, 8-19-08, 2-21-17, 6-19-18.

CONTACT LIST

Card and Program Administrator –

Lisa S. Lloyd, CPPB
318-603-6476
lsilloyd@caddoschools.org

Secondary Administrator –

Shari Foreman,
318-603-6482,
sforeman@caddoschools.org

- **Report lost or stolen card**
- New cardholder request
- Change in credit line (temporary or permanent)
- Change in purchasing parameters
- Cardholder closures
- Approved vendor list
- Policy and procedure changes

JPMC Customer Service – 1-800-316-6056

- **Report lost or stolen card**
- General account information

Account balance

- Statement request
- Payment due date
- Notification of disputed item
- Declined sale

UNAUTHORIZED USES OF THE CPSB PROCUREMENT CARD

As a cardholder you have the authority to use the CPSB Procurement Card for the purchase of most commodity items commonly used in the performance of your job. Unless specifically addressed by policy, you **cannot** use the card to purchase or acquire any of the following:

- Airfare
- Hotels
- Travel And Entertainment
- Any Fixed Assets (Equipment having a cost of more than \$999.99)
- Computer Hardware
- Capital Equipment
- Consulting Agreements
- Services (Any Type)
- Technical Subcontracts Or Services
- Building Improvements
- Construction Contracts
- Hazardous Materials
- Temporary Employment Services
- Copy Machine Leases
- Automobile Leases
- Utilities
- Advertising
- Legal Fees
- Insurance Premiums

Vendors are classified by Merchant Category Code Classification (MCC) code controls for determining if a transaction is authorized with that vendor. Any attempt to make an unauthorized purchase will result in denial of the attempted purchase at the point of sale by MasterCard and will generate notification to CPSB of the attempted unauthorized purchase.

COMMON QUESTIONS ABOUT THE CARD PROGRAM

Who can obtain a credit card?

Certain employees whose positions require routine purchases of small dollar items may be eligible to obtain a MasterCard Procurement Card. Discuss applicability with your supervisor or the CPSB card administrator.

What is a small dollar purchase?

Small dollar purchases are less than **\$1,000**. For example, it could be a single item for very small amounts (\$1 or less) or a group of items totaling under \$1,000.

Who handles changes or deletions to the card?

The card administrator(s) or her designee.

Who is the card administrator?

The Director of Purchasing is the CPSB Card Administrator and coordinates all activities related to the CPSB Procurement Card System.

What if I change job position or department within CPSB?

Contact your supervisor and return that card to that supervisor. If you believe a card is needed in your new position, your supervisor will review the matter to determine applicability. If found to be essential, a request will be made through the card administrator.

May I use the card over the telephone?

Yes, just like you might use your personal credit card. The supplier will ask for your card number and expiration date of the card. You should instruct the supplier to provide a detailed receipt showing what was purchased and any freight/shipping charges and include the receipt in the shipment to you. Forward the included receipt to designated personnel, as applicable (Warehouse Purchasing or Transportation Support Staff).

Does a supplier have to be an approved CPSB vendor?

No. You may use the card for legitimate transactions with any legitimate supplier that accepts MasterCard. Remember, CPSB pays MasterCard, not the vendor.

What limitations are placed on the card?

- Not to exceed transaction limits assigned to you (including shipping).
- Not to exceed the monthly limit assigned to you.
- Merchant Category Code Classification (MCC) code controls (i.e., no restaurants, travel, entertainment, etc.)
- Unauthorized Uses (see list following in appendix)

Note: Individual cards have been “blocked” against use with certain non-business related establishments as well as travel and subsistence type purchases. This has

been done by denying approval on certain MCC (Merchant Category Codes). If you attempt to use the card for unauthorized purchases, the transaction will be denied by MasterCard at the point of sale and will generate notification to CPSB of the attempted unauthorized purchase.

What if I'm declined authorization?

If a *unique* situation brings you over your card's limitations, contact your card administrator immediately. The card administrator can contact JPMC to have the transaction approved.

What do I do with the receipts/packing slips?

Turn them in daily to designated departmental personnel. They are **very** important and are needed to reconcile your monthly memo statement. They must be attached to the statement.

What if something I've ordered (my shipment) is late?

First contact the supplier, verifying the date of shipment and carrier. If the package cannot be located, request proof of delivery from the supplier. Continue checking with the supplier until you receive your shipment.

How does the supplier get paid?

Your supplier will be paid by MasterCard through the electronic banking network. In most cases the supplier will be paid by MasterCard in two to three days. You do not have to do anything for the supplier to get paid.

Who pays the bill?

The CPSB Procurement Card is a central bill and pay process. JPMC will submit a single monthly invoice to CPSB which includes all activity on all cards for the billing period. In addition, a monthly individual cardholder memo statement is received from MasterCard. This monthly MasterCard statement is simply a memo record of transactions made against your card for the billing period. This statement is used for reconciliation purposes.

How is the monthly statement reconciled?

Your monthly statement from MasterCard will list the suppliers and the amounts of purchases made using your Card. Using the detailed receipts that you have turned in daily, will make reconciliation to the MasterCard statement easy. Designated departmental personnel will reconcile cardholder statements. However, these reconciliations must still be approved by the individual cardholder.

Your reconciled MasterCard memo statement and receipts are then forwarded to your supervisor who, in turn, will review, approve and forward to the Accounts Payable Department.

Note: Accounts Payable will pay the bill based on what the MasterCard summary indicates. Any disputes will be handled after payment with credits or debits issued in

the next billing cycle. Your use of the card is always subject to review by your supervisor, card administrator, and Internal Audit. Therefore, it is critical that receipts are turned in on a daily basis.

What if I have a dispute or incorrect charge?

If you have a problem with the statement, identify the problem and try to resolve it directly with the supplier. If the supplier refuses to issue credit, replace the item, or otherwise fails to resolve the problem, complete a Cardholder Dispute Form and forward the form to JPMC. Keep a copy for your records and forward a copy immediately to designated departmental personnel,

What if I've lost a receipt?

A detailed receipt is **very** important because it serves as proof of what was purchased. If a receipt is inadvertently misplaced, try to get a copy from your supplier. If that proves to be impossible, the Cardholder Statement of Missing Documents must be filled out and turned in to designated personnel. Repeated losses can cause card revocation.

What if I have an unauthorized charge on my weekly statement?

For example, there's a charge and you don't believe it's valid. First, try to resolve the problem yourself with the supplier. If you cannot resolve the dispute yourself, fill out a Cardholder Dispute Form and send it to JPMC. Keep a copy for your records and forward a copy immediately to designated personnel.

How does the cost get into the school board's accounting system?

All purchases made on your card will be charged to the proper account in the CPSB Sungard/Business Plus Accounting System. All transactions are automatically assigned to a default account. You may designate another account number (project or otherwise), which must be approved by your supervisor, by notifying designated personnel as applicable when the itemized receipt is submitted. Notation will be made to make Accounts Payable aware of the account information. If you do not designate a different charge number, the transaction will automatically default to your Department's account.

What if my card is lost or stolen?

The Procurement Card is a valuable asset and should be maintained with reasonable security and protection. If you cannot find your card or if it is stolen, immediately notify JPMC Customer Service at **1-855-886-7638** Also call the card administrator.

Upon receipt of the call, further use of the card will be blocked. Prompt action in these circumstances can reduce CPSB's liability for fraudulent charges. Written confirmation of cancellation must then be accomplished by mail or fax **by you!**

Will my purchases be checked?

Yes. Each month after your monthly memo statements are reconciled, you will sign your approval and the statement along with attached receipts will be forwarded to your supervisor for approval. Your supervisor will sign and date the statement as proof of statement review.

In addition, there will be random audits performed by CPSB to verify compliance. That is why it is **very** important for you to turn in copies of your itemized receipts daily.

Feedback about the Procurement Card

Your feedback on how the Procurement Card is working is very important to the initial and long-term success of the program. You may have other ideas for use of the card which will have significant impact to CPSB. Feedback can be given to your supervisor or to the card administrator.

Forms

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**CADDO PARISH SCHOOL BOARD
PROCUREMENT CARD
CARDHOLDERS AGREEMENT**

Introduction

Caddo Parish School Board has entered into an agreement with JPMC that provides qualified employees with a MasterCard Procurement Card at company expense to purchase low cost materials and services. Using the Procurement Card benefits the Company and Cardholder through:

- Promptly paying our suppliers
- Reducing overall processing costs
- Decentralizing purchasing responsibility

The policies contained in this agreement and in the supplemental Procurement Card User Manual must be followed by Cardholders as guidelines for conducting CPSB business. Policy violations will result in revocation of Cardholder privileges and possible disciplinary action.

General Policy Guidelines

Card Member Definitions: Procurement Cards are issued at the discretion of the Caddo Parish School Board to qualified employees.

Ownership and Cancellation of the Procurement Card: The Procurement Card remains the property of JPMC. It may not be transferred to, assigned to, or used by anyone other than the designated Cardholder. JPMC may suspend or cancel Cardholder privileges at any time for any reason.

The Cardholder will surrender the Procurement Card upon request to Caddo Parish School Board or any authorized agent of JPMC. Use of the Procurement Card or account after notice of its cancellation may be fraudulent and may cause JPMC to take legal action against you.

Spending Limits: Each Procurement Card has a pre-set spending limit which may not be exceeded under any circumstances. The Procurement Card should be used whenever and wherever possible for charging low cost materials or commodities (Including shipping and handling). **NO PERSONAL EXPENSES ARE TO BE CHARGED TO THE PROCUREMENT CARD.**

Procurement Card Abuse: Abuse of the Procurement Card will result in revocation of the Card and appropriate disciplinary action which may include termination. Policy violations include, but are not limited to:

- Purchasing items for personal use
- Exceeding your card's credit line limit
- Using the Procurement Card for travel and entertainment purposes
- Failure to return the Procurement Card when reassigned, terminated, or upon request
- Failure to submit proper documentation to the appropriate designated personnel.

Usage

For additional specific usage guidelines, the Procurement Card Cardholder must refer to the supplemental Procurement Card User Manual which is distributed with the

Procurement Card and by this reference is incorporated and made a part of this agreement.

Receipts

It is the Cardholder's responsibility to obtain transaction receipts from the merchant or vendor each time the Procurement Card is used. Each month, a Cardholder activity report in the form of a memo statement will be received. Individual transaction receipts will be attached to this weekly activity report, reconciled, and approved by the Cardholder. This Cardholder approved statement will then be submitted to the Cardholder's supervisor for review and approval. Following supervisor approval, the activity report and receipts will be forwarded to the accounts payable department for review, payment and audit.

Protecting the Caddo Parish School Board Procurement Card

The Procurement Card is valuable property which requires proper treatment by the Cardholder to protect it from misuse by unauthorized parties.

Validation/Safekeeping:

Sign the Procurement Card immediately upon receipt. When the expiration date is passed and/or after you have received a new Procurement Card, cut the old Procurement Card in half and dispose of it. Make sure the Procurement Card is returned to you after each charge and verify that the returned Card has your name on it. Carbon sheets should be retained and destroyed.

Lost/Stolen Procurement Cards:

If the Procurement Card is lost or stolen, contact JPMC's 24-hour toll free number at 1-800 316-6056. The Cardholder is also required to contact the Caddo Parish School Board Card Administrator.

The undersigned Cardholder applicant and supervisor request that a Caddo Parish School Board Procurement Card be issued to the applicant. This applicant has read the above agreement and guidelines and agrees to be bound by their terms and conditions.

Applicant **Date**

Supervisor **Date**

Applicant and Supervisor - Complete Application on reverse and retain one copy each of Agreement/Application.

Forward this Agreement to your Caddo Parish School Board Card Administrator.

CADDO PARISH SCHOOL BOARD

EMPLOYEE PROCUREMENT CARD AGREEMENT

I, _____ hereby request a JPMC/Caddo Parish School Board MasterCard Corporate Procurement Card. As a cardholder, I have read and understand the CPSB **Procurement Card** User Manual. I agree to comply with the **procurement card** policies and procedures contained in the User Manual and the following terms and conditions regarding my use of the card.

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 Caddo Parish School Board. I will obtain the best value for CPSB 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 in appropriate disciplinary action which may include termination of my employment. I also agree to attend training on the use of this card as prescribed by the card administrator.
3. Policy violations include, but are not limited to:
 - Purchasing items for personal use or non-CPSB business purposes
 - Exceeding card transaction dollar limits or weekly limits
 - Using the card for travel-related expenses
 - Failure to turn the card over to the card administrator when appropriate
 - Failure to submit proper documentation daily
 - Allowing the card to be used by someone else
1. 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.
2. If the card is lost or stolen, I agree to immediately notify JPMC and the CPSB card administrator verbally and in writing.

Specific Uses or Restrictions:

Employee Signature Date SS No. Department

Supervisor Signature Date Card Administrator Date

Transaction Limit: \$ _____ Monthly Limit: \$ _____

Submit to Card Administrator for Authorization

**CADDO PARISH SCHOOL BOARD
PROCUREMENT CARD
CARDHOLDER STATEMENT OF DISPUTED ITEM(S)**

RE: _____

CARDHOLDER NAME: _____ CARD NUMBER: _____

MERCHANT NAME: _____ DISPUTED AMOUNT: \$ _____

I dispute the charge(s) described herein as follows: [Check Appropriate Box(es)]

- I certify that the charge listed above was not made by me nor were the goods or services represented by the above transaction received by me or by a person authorized by me.
- I do not recognize the transaction as listed above. Please inform me of merchant name and description of merchandise purchases.
- Although I did engage in the above transaction, I dispute all or part of the charge in the amount of \$ _____. I have contacted the merchant and requested a credit adjustment that I did not receive or was not satisfactory.
- I have been charged twice for the same transaction. Posting dates: _____ and _____
- A credit slip was listed as a sale on my statement.
- The amount of the sales slip was increased from \$ _____ to \$ _____. Enclosed is my copy of the sales slip prior to alteration.
- I received a price adjustment (credit slip) on the above transaction, and it has not appeared on my statement. Enclosed is a copy of the credit memorandum.
- Other, please explain completely.

I am disputing the charge because: _____

Signature: _____

Daytime Phone: _____

Date: _____

JPMC of Shreveport

Telephone Billing Inquiries to: 1-800-316-6056

**CADDO PARISH SCHOOL BOARD
CARDHOLDER STATEMENT OF MISSING DOCUMENT(S)**

CARDHOLDER: _____

CARD NUMBER: _____

SUPERVISOR SIGNATURE: _____

=====

<u>Item Description</u>	<u>Date of Purchase</u>	<u>Vendor</u>	<u>Cost</u>
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Detailed Explanation of Missing Documentation:

The undersigned employee responsible for said missing documentation hereby states under oath that the above facts are true and correct to the best of his/her knowledge.

Signature of Employee

Date

This date personally appeared before me, the undersigned authority, in and for Caddo Parish, State of Louisiana, the above named employee, who, being first duly sworn, stated on his/her oath that the above facts are true and correct to the best of his/her knowledge.

Given under my hand and official seal, this the _____ day of _____, _____.

Notary Public

Note: This affidavit shall be forwarded to designated personnel, as applicable (Warehouse Purchasing or Transportation Support Staff). A copy shall be kept for Cardholder records.

**AFFIDAVIT OF UNAUTHORIZED USE
OF
JPMC PROCUREMENT CARD**

State of Louisiana
Caddo Parish

_____ being duly sworn according to law, deposes and states that (he/she) is the holder of MasterCard Procurement Card number _____ expiring _____ as issued by JPMC, Shreveport, Louisiana. Deponent states that this card was discovered (lost/stolen) on _____ (date) at _____ (location) and that JPMC was notified on _____ (date) by _____ (means) that the card is missing.

Deponent further states that no persons other than those named here, have ever been given this procurement card or authorized in any way to use this card. Further, that (he/she) has not received any benefit or portion of the proceeds of any transaction or withdrawals made with this procurement card on _____ (amounts, dates, locations). Further, that the deponent (does/does not) know who used the card or who obtained possession of the card.

Deponent further states that this affidavit is made voluntarily and for the purpose of obtaining proceeds of said transactions and establishing the fact that said transactions were made by someone other than Deponent without actual authority and were wholly unauthorized by Deponent. Deponent will testify, declare, depose or certify under oath to the truth of any or all of the foregoing statements before any court, tribunal officer, or person in any case now pending or that may later be brought in connection with the unauthorized transaction(s).

Deponent's Signature

Address , City, State, Zip Code

Sworn to and subscribed before me, this the _____ day of _____, _____

My Commission Expires _____

NOTARY PUBLIC

JPMC/MASTERCARD CHARGEBACK GUIDELINES

As a general rule disputes on MasterCard purchases can take up to 90 days to be resolved from the date we are notified. We need you to notify us within 30 days from the time you notice a dispute on your account in order for your rights to be protected. All disputed items must be charged back no later than 120-180 days from the date of the purchase. Once the 120 days have been exceeded JPMC will not have other charge back rights and this could result in a loss to the cardholders

When there is a dispute be sure to notify _____
in writing as soon as the dispute occurs. _____
will then send the appropriate forms to be filled out and put the disputed item in
suspense so no finance charges will be accumulated. All dispute letters must be
signed by the person embossed on the card.

Where certain charge back rights may not exist, JPMC may use Compliance Rights to retrieve partial or full dollar amount of the disputed item. MasterCard has set strict standards to protect the consumer so this option is used as the exception.

Common Disputes

1. Non-receipt of merchandise: Must allow time for merchandise to arrive. We have 120 days from the date of expected delivery to charge back the item. However you must notify us within 30 days from the date the merchandise was expected to arrive.
2. Defective merchandise: Can only be disputed if the merchandise is shipped to the cardholders. Must give at least 30 days from the date the item was returned for credit. Must also state in dispute letter specific reasons the item is defective or unsuitable.
3. Services not rendered: Examples would be if you were to reserve a hotel room and they did not have adequate space available for you. Reserving theater tickets and it was canceled. Reserving a cruise and they go bankrupt. Please keep in mind if you are making reservations and are unable to attend it is your responsibility to cancel and retrieve a cancellation number, or charge back rights may be limited. This also does not apply to quality disputes; i.e., quality of a hotel room, quality of work performed for repair.
4. Unrecognized Item on Statement: If the item is a mail/telephone order and the item is unrecognized, we need a cardholder letter to charge the item back. If, however, it is a point of sale transaction, we must order a ticket copy and determine if card was present at the time of sale and if signature is present.
5. Incorrect Amount: Only the amount in dispute may be charged back. Helpful hint: If you have original receipt and the amount is different than statement it is easier to charge the item back.

6. Credit not processed: It is very important to keep the credit receipt of all purchases until the item is credited on your statement. Please wait at least 30 days after the date of your returned merchandise for credit to appear. Be sure and note return policies from the store and stay within the guidelines, if the store posts no returns or in store credit only on the receipt or in plain view we will have no charge back rights if the item is returned. For items returned by mail, be able to show proof that item was returned; i.e., a signed return mail slip.

Several other disputes may occur, but this will give you a resource on steps you should take to prevent a loss.