

MIAMI-DADE COUNTY PUBLIC SCHOOLS

Purchasing Card Program

Policies and Procedures Manual

Administered by the Office of the Controller

Accounts Payable/P-Card Department

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INTRODUCTION

The Miami-Dade County Public Schools' Purchasing Card Program is designed to enable authorized district employees to procure small dollar purchases through a more efficient process. Use of the card is meant to simplify and streamline the acquisition process for authorized goods and services and lower overall transaction costs.

All cardholders have limits that are defined by the worksite administrator as guided by the District categorization of worksite groups: Elementary, Middle and K-8, Senior and 6-12, Adult, Alternative and Non-School site locations.

Requests made by the worksite administrators are reviewed and may be modified by the P-Card Section in Accounts Payable to ensure compliance with the limits established by the District for the number of cards within a worksite and total monthly limits established by worksite groups.

Limitations are assigned to each card with the bank and enforced at the point of purchase. They are:

- ❖ Amount charged in a single transaction
- ❖ Number of transactions charged in one (1) day
- ❖ Amount charged in one (1) day
- ❖ Amount charged in one (1) month
- ❖ Type of vendor purchases made

Any transaction exceeding the above limits will be declined by the bank.

The District has established further limitations on the specific types of purchases that can be made which are described further in this Policies and Procedures Manual.

Purchasing cards are issued for the purpose of procuring authorized goods and services totaling less than \$3,000.00. The goal of this program is to reduce the number of costly transactions processed by the Procurement and Accounts Payable Departments and provide work locations with the flexibility to obtain authorized goods and services as needed.

Personal, inappropriate or illegal use of the purchasing card and/or failure to strictly comply with the limitations and requirements set forth in the Policies and Procedures Manual may result in:

- ❖ *a loss of purchasing card privileges,*
- ❖ *disciplinary action, up to and including termination*
- ❖ *personally held responsible for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase*
- ❖ *and/or possible referral to law enforcement authorities for prosecution*

INTRODUCTION

As the Purchasing Card is a method of procuring goods and services, all established Policies and Procedures pertaining to the Procurement of goods and services and the receipt of goods and services are to be followed. See School Board Policy 6320 – PURCHASING. It is the cardholders' responsibility to ensure that all of the procedures, pertaining to the procurement and receipt of goods and services, are followed at all times including those that are not amplified within this specific Policies and Procedures Manual.

Roles and Responsibilities:

Each worksite that chooses to participate in the P-Card program will have:

- ❖ A P-Card administrator (the work location administrator) to manage the card program
- ❖ An individual assigned to make purchases using the P-Card via the phone, fax or internet, on behalf of the administrator
- ❖ Assign an individual, along with themselves, access to the bank on-line system to view transactions and download the monthly statement
- ❖ Assign an individual to reconcile the monthly statement to the purchases made and generate the journal voucher to settle the statement with the District within the designated time lines

POLICIES AND PROCEDURES

1. Application Process

- A. The District allows up to 3 purchasing cards per work location to be issued to authorized personnel. The Worksite Administrator is responsible for completing their own Purchasing Card Holder Set-Up Form and Cardholder Agreement which are pages 1 and 2 of Form 6462.

Should the Worksite Administrator choose to have additional personnel at their location maintain a card, the specific individual(s) chosen will also have to fill out pages 1 and 2 of Form 6462. In this instance, the Worksite Administrator must also sign the section of the form authorizing the individual(s) card.

Once the application form and the cardholder agreement are signed, the originals are to be sent to Accounts Payable (9999/602) for processing. Maintain a copy at your location for your records. Accounts Payable will only generate a new account/card from a form with original signatures.

In the event a Worksite Administrator feels there is a need for more than 3 cards, a written request is to be submitted to the District Director of Accounts Payable/P-Card Department by:

- ❖ The Region Superintendent for the requesting school site
- ❖ Senior Cabinet Member for non-school sites

The request should include the number of cards being requested, the names of the individuals requested to have cards, and a justification as to why the location may need more than 3 cards. The Accounts Payable P-Card section will maintain, in the work location's file, copies of the submitted request for audit purposes.

- B. Staff in Accounts Payable P-Card section is responsible for receiving the application form and cardholder agreement. Modifications may be made if it is deemed that the request will exceed the established limits at the locations based on amounts or number of cards at the location.

The Bank sends new account cards to Accounts Payable for tracking purposes.

- ❖ For cardholders receiving a card for the first time, the Department will notify the cardholder when the card has been received and the date of the next scheduled P-Card training class. New cardholders are required to attend the training class to receive the purchasing card.

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- ❖ For cardholders who need their card replaced due to: a legal name change, lost card or the card has expired, the card will be mailed to the Worksite Administrator for issuance to the cardholder.

Once the cardholder receives their card, they are to activate the card by following the banks' established procedures that will be supplied with the new card.

2. Timing of Issuing P-Cards

In our effort to safeguard the P-Card, the P-Card Group will not order new cards during the month of December and the three (3) weeks prior to Spring Break.

This is done to prevent having cards in the mail during Winter Recess and Spring Break when District offices and locations are closed.

Any application received during the month of December through Winter Recess will be processed upon return from Winter Recess.

Any application received during the three (3) weeks prior to Spring Break will be processed upon return from Spring Break.

The process of ordering cards and receiving them in Accounts Payable may take up to three weeks.

Current cardholders who have a change in work location assignment should not apply for a new card until they begin their assignment at the new location.

3. Cancellation of Card(s)

A. The Purchasing Card is the property of Miami- Dade County Public Schools. As such, the card is to be cut in half and returned to the Worksite Administrator/Region or Accounts Payable Purchasing Card Section (9999/602), with an explanation, upon the following conditions pertaining to the cardholder job status:

- ❖ Voluntarily terminates their employment
- ❖ Is terminated
- ❖ Transfers work locations
- ❖ Department mergers where it is deemed cardholder no longer requires a card

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B. Staff in Accounts Payable P-Card section is responsible for cancelling the card with the bank upon notification of a change in job status.

4. Expiring Card(s)

The P-Card is valid for three (3) years. One month prior to the expiration date, a replacement card will be sent directly to the cardholders' location.

As soon as the new card is received, the cardholder should immediately activate the card, and shred the expiring card. As the account number does not change, there is no need to contact the Accounts Payable P-Card section.

5. Lost or Stolen Cards

It is the responsibility of the cardholder to notify the bank immediately upon realizing the card has been lost or stolen by calling 1-800-270-7760.

The cardholder should then contact the P-Card Section who will ensure the account has been closed with the bank and work with the cardholder on the reissue of a new card with a new account number.

6. Security and Maintaining the P-Card

The security of the Purchasing Card is the cardholder's responsibility. The cardholder is to know where their card is at all times. Since this is a District issued card for District related purchases, it is recommended that the card be maintained in a vault or locked in a secured place with restricted access.

Under no circumstances should a cardholder give/lend their card to an individual to leave the premises and use the card at a store. The only individual authorized to use the card at a store is the cardholder.

The worksite administrator is considered the main cardholder and:

- ❖ May authorize an individual, at their location responsible for making purchases, to purchase on their behalf via the phone, fax or internet
- ❖ Must safeguard the account number and expiration date at all times
- ❖ Never leave the card, account number information and the monthly statements in a conspicuous place
- ❖ Ensure that other individuals at their location who may have a card follow the same guidelines described herein
- ❖ Ensure individuals at their location who may have a card and are 10 month employees that the employee's card is maintained in a safe locked secured place during the time period they are not working

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7. Blocks Placed By Bank For Potential Fraudulent Activities

As part of the service provided by the Bank, they review purchases to ensure fraudulent activities are not occurring. If they feel there is a pattern that requires verification, they will attempt to contact the cardholder at the cardholders' main number.

If the bank is not able to speak with the cardholder and confirm the charges are not fraudulent, they will immediately place a block on the card and no further purchases will be allowed until the cardholder calls and verifies the purchases being questioned by the bank.

In the event the bank is not able to contact and speak with the cardholder, aside from placing an immediate block on their account, they will contact the P-Card Section to inform them of the situation. The P-Card Section will send an email to the cardholder indicating the need to contact the bank to be able to review the transactions. After the cardholder has reviewed the transactions with the bank, the block will be removed if the charges are deemed appropriate. If the charges are verified to be fraudulent, the bank will close the current account and generate a new one for the cardholder.

8. Automatic Bank Closure of Inactivated or Unused Cards

In November 2015 JP Morgan implemented an automatic process that will close accounts that are not activated or that have not been used for 18 months. Since this is an automatic process, a cardholder that needs to use the card, will need to submit a new application.

9. Merchant Declines

Vendors are assigned a Merchant Category Code, otherwise known as a MCC code. This code identifies the type of products or services the vendor provides. A vendor can obtain more than one (1) MCC code as they may provide a multiple array of products or services.

The MCC code is assigned at the point of sale terminal (cash register) or internet virtual swipe processor.

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The District has reviewed the standard industry wide list of MCC codes and has identified those merchants' codes whose products or services will be allowed to be used with the P-Card.

In the event a purchase is made against a vendor who is not on the approved merchant code list the transaction will be declined by the bank. You will need to contact the P-Card Section staff to determine if the purchase will be allowed via the P-Card or if you must make the purchase via another vehicle (Fund-9 for schools, or a shopping cart/PO if purchase does not fall under the Fund-9 rules)

The P-Card Section will ask you details pertaining to the purchase, including possibly sending the Purchase Authorization form (FM-5707) for review and determining if the purchase will be allowed via P-Card.

This is to safeguard both you as a purchaser and the P-Card Section as the program administrator from making a purchase that is not allowed.

Please note that if the vendor is not on the authorized Merchant Code list reviewed and established by the District, the P-Card Section may not authorize the purchase via the P-Card.

10. Other Potential Reasons for Declines

Along with the blocks placed by bank for potential fraudulent activities and merchant declines, your card may be declined for the following reasons:

- ❖ You have exceeded your monthly purchasing limit
- ❖ You have exceeded the total amount you may charge in one (1) day
- ❖ You have exceeded the amount allowed in a single transaction
- ❖ You have exceeded the total number of charges allowed in one (1) day

If you have been declined, the cardholder may login to the banks on-line system and under the Transactions Tab select Authorizations and Declines to view the activity as well as the reason for a decline.

You may notify the P-Card Section to discuss alternatives, one of which may be to wait until the next available time frame to make the purchase which could be the next day or business month.

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11. Purchasing Card Limitations and Restrictions

- A. The District has established the following “Not To Exceed” monthly limits by location category:

Administrative Offices	\$6,000.00
Elementary Schools	\$9,000.00
Middle Schools and K-8	\$12,000.00
High Schools,6-12 and Adult	\$15,000.00

- B. Based on the above monthly expenditure limits, Work Location Purchasing Card Administrators (the worksite administrator) have the flexibility to authorize and issue up to three (3) purchasing cards, per location, to individuals that are required to make frequent small dollar purchases.

When completing the Cardholder Set-Up form (FM-6462), do not exceed the following purchasing type limits:

The Work Location Purchasing Card Administrator is responsible for establishing each individual purchasing card’s monthly, daily, single and number of transactions limits.

	Worksite Administrator Limits	Additional Individual Cardholders Limits
Monthly Spending Limit	Based on Table referenced in section A	\$1,000.00
Single Transaction Limit	\$3,000.00	\$300.00
Daily Spending Limit	\$4,000.00	\$500.00
Number of daily transaction	10	3

If the Worksite Administrator authorizes additional cards to individuals in their location, the monthly spending limit amount authorized to the individual will cause the Worksite Administrator’s monthly limit to be reduced by the amount authorized to the other individual. Example: a Worksite Administrator at a Middle School who has a \$12,000.00 monthly limit, authorizes a purchasing card to the secretary with a monthly spending limit of \$1,000.00 and to the custodian a card with a monthly spending limit of \$500.00. The Worksite Administrator’s monthly spending limit will be reduced by \$1,500.00 to \$10,500.00.

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The Accounts Payable P-Card Section will review the requests for additional cards per location and modify all limits as necessary to comply with the above P-Card spending limits.

- C. District may approve increases in the monthly, daily, velocity and single transaction limits to different locations on certain situations and to meet specific needs. Although not all inclusive, the following are examples of such situations: District Offices that are responsible for initiating district-wide purchases that will be subsequently charged to individual schools, purchases for immediate required repairs to school buses, or maintenance vehicles, as well as repairs to school or district facilities.

- D. If a Worksite Administrator would like to increase a card limit for a cardholder at their location, Form 7476 must be filled out and signed by the cardholder and the Worksite Administrator.

The original is to be sent to Accounts Payable P-Card Section (9999/602) for processing. Maintain a copy at your location for your records.

- E. Staff in Accounts Payable P-Card section is responsible for receiving the limit increase request form (Form 7476). Modifications may be made if it is deemed that the request is not justifiable.

- F. Periodic Cardholder Review/Evaluations

The Accounts Payable P-Card section will conduct a periodic review of the number of cardholders and usage. If it is determined that a cardholder, other than the Worksite Administrator, is not using their card, the card may be subject to cancellation. A notification will be sent to the Worksite Administrator indicating the individual's card has not been used, or used so infrequently that to prevent any potential misuse or fraud, the card should be cancelled.

- G. Emergency and/or Disaster Recovery Situations

In the event of an emergency situation where purchases need to be made to resolve a situation, the P-Card Administrator will be notified of the need and may allow the purchases to be made via the Purchasing Card. In the event of a disaster recovery situation, certain worksite administrator's card limits may be increased to facilitate the speedy recovery and or prevention of further loss in a location.

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H. SCHOOL BOARD POLICY 6320 – PURCHASING

This policy is **not** included in this manual. It is every cardholders' responsibility to ensure they know, understand and follow every aspect of this policy when making and authorizing purchases on their purchasing card.

I. SCHOOL BOARD POLICY 6424 - PURCHASING CARDS

Purchasing cards may be used to make small dollar purchases and acquire materials and supplies as needed for operations.

Purchasing cards shall not be used to circumvent the general purchasing procedures established by State law and School Board policy 6320 - PURCHASING. Additionally, purchasing cards shall only be used for purchases in connection with Board-approved or school-related activities, that benefit the District and serve a valid and proper public purpose.

The Superintendent shall develop administrative procedures that specify those authorized to use purchasing cards, the types of expenses which can be paid with purchasing cards, and their proper supervision and use. Personal, inappropriate or illegal use of the purchasing card and/or failure to strictly comply with the limitations and requirements set forth in the administrative procedures may result in a loss of purchasing card privileges, disciplinary action, up to and including termination, personal responsibility for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase, and/or possible referral to law enforcement authorities for prosecution.

J. SCHOOL BOARD POLICY 6480 – EXPENDITURES

Expenditures from District and all other funds available for the public school program are authorized by law and School Board procedures. The Superintendent is authorized to provide procedures to pay for material, supplies, or services needed for the District that have been properly incurred under the laws, policies and regulations governing purchases and transactions upon proper documentation and review. Such payments will be approved by the Board as provided by law.

Neither the District, nor any person acting on behalf of the District, may expend general funds for:

- ❖ political advertisement or electioneering communication
- ❖ purchase of items for personal use (i.e., bottled water, coffee, cups, etc.)

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- ❖ food for meetings, awards, hospitality, and special observations
- ❖ equipment for personal use (i.e., microwaves, refrigerators, coffee makers, etc.)
- ❖ donations to outside parties
- ❖ individual memberships in professional, educational and community Organizations and related activities and services except pursuant to administrative guidelines based on the District's best interest developed by the Superintendent and approved by the Board
- ❖ taxes, late penalties, and/or
- ❖ beautification and decoration accessories

Payment for Goods and Services

The payment of purchase orders, contracts, invoices and utilities shall be made according to the approved budget and State Law.

K. Additional Exclusions of Purchases Utilizing the P-Card

Although not all inclusive, the following purchases **CANNOT** be made with the purchasing card:

- ❖ All Furniture, Fixture and Equipment (FF&E) where the unit price of each item is greater than \$999.99 due to Property Control (Asset Tag) requirements
 - ✓ Unit Price Items \$999.99 and less are allowed as of October 2011
 - ✓ It is recommended that FF&E purchases are limited to Equipment and that Furniture and Fixtures follow the District's Shopping Cart process
- ❖ Any Product procured by S&D cannot be purchased with the P-Card – this includes:
 - Cases of paper
 - Custodial Supplies
 - Chemical/Custodial products as determined by Custodial Standard Committee
 - ✓ Please see the S&D Web page (<http://smd.dadeschools.net/>) or the SAP shopping cart for a listing of products available through S&D
- ❖ Rental Agreements/Maintenance Repairs valued above 999.99
- ❖ Funding Sources requiring a WBS Element (Project Number for Capital Construction)
- ❖ All Field Trips related transactions including admissions and chartered bus transportation
- ❖ Non-salary awards where the unit cost of the award exceeds \$100.00
- ❖ Textbooks charged to programs 8560 and 8640
- ❖ Air fresheners such as plug-ins, etc.
- ❖ Cash advances of any kind
- ❖ Items for personal use (i.e., microwave, refrigerator, air purifier, fan, heater, electronic equipment, medicine, clothing, gifts)
- ❖ Charges totaling \$2,999.99 or more per vendor per purchase/charge (split orders are not allowed except for Office Supply items effective October 2013)

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- ❖ Business cards, except when approved in writing by a Senior Cabinet member
- ❖ Tools and equipment not authorized by the Safety Department
- ❖ Salary and monetary awards
- ❖ Refreshments, coffee, water, cups, plates, etc. including food purchases for hospitality meetings and special observances
- ❖ Travel and Entertainment related expenditures (i.e. airlines, hotel, car rentals, transportation, tolls, field trips, Charter Bus companies and admission to amusement parks) excluding seminar/registration costs
- ❖ Items in support of extracurricular school activities such as uniforms, tickets, t-shirts, games and costumes
- ❖ Internal Fund related purchases
- ❖ Consulting and professional services
- ❖ Individual memberships in professional, educational and community organizations and related activities and services except pursuant to administrative guidelines based on the District's best interest developed by the Superintendent and approved by the Board
- ❖ Beautification and decoration accessories (i.e. plants, wallpaper, pictures, frames, designer or specialized supplies or equipment, etc.)
- ❖ Decorative letterhead or stationary, greeting cards, party supplies, decorative mouse pads, entertainment, holiday items, etc.
- ❖ Taxes, late penalties/fees and interest charges
- ❖ Uniforms not authorized by union contract
- ❖ Utilities and telephone expenses, including cellular phones, unless authorized by the Department of Energy and Communication Management

L. Splitting Transactions – Not Allowed

Work locations are prohibited from splitting purchases, through separate consecutive transactions in order to bypass the \$3,000.00 single transaction limit. (i.e. – item cost \$4,000.00 and location asks vendor to generate two (2) separate transactions to make the purchase).

- ❖ Office supplies are the only exception to this rule where multiple purchases can be made from the Bid Awarded Office Supply vendor.

It is also not recommended to accumulate orders throughout the month to be able to generate a shopping cart greater than \$3,000.00. This leads to having to generate receiving for each line, tends to generate duplicate shipments, and typically causes payment delays until every item purchased is resolved. You are able to make multiple purchases, especially office supplies, to the same vendor throughout the month as long as you are purposely not requesting the vendor to split an order to by-pass the \$3,000.00 maximum order limit.

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Be aware that when placing an order with a vendor, they will typically not charge the Purchasing Card until the order is shipped. If it is shipped in multiple orders and dates, you will be charged per shipment. For example: you placed an order for \$1,000.00 with the vendor. The vendor shipped \$700.00 from one of their Distribution Centers today and the rest of the order, \$300.00, from another Distribution Center on another day, this will show as two charges on your statement, this is not in our control as it controlled by the vendor and will not be considered a split order.

M. Airline Travel

For employee related “business travel”, the District allows the Board approved Travel Agency to purchase airline tickets to a specific card administered by the Accounts Payable P-Card Department. For those approved airline travel charges, the District’s Travel system generates a Fund Reservation in SAP to “encumber” the funds, and as the monthly airline charges statement is reconciled, the charges are applied to the funds reservation to liquidate the encumbrance.

For the Superintendent and selected Cabinet Members who travel frequently, the Purchasing Card assigned to them has been modified to allow travel transactions.

12. Purchase Procedures

- A. Any vendor that accepts Visa/MasterCard can normally accept the Purchasing Card.

All purchases must adhere to Board Policy 6320 regarding competitive bidding and should be made from the list of the District’s authorized vendors.

Please contact the Division of Procurement Management for additional information on approved vendors authorized to provide goods and services to the District.

Please note that Board Policy 6320 – PURCHASING requires the following:

All purchases for non-bid items greater than \$1,000.00 require 3 quotes to be obtained, and if possible, at least one (1) of these vendors shall be a Minority/Women Business Enterprise.

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Please contact the Division of Procurement Management for additional information on the 3 quote requirement and/or assistance with the list of Minority Vendors.

- B. Use catalogs and bids from preferred vendors to obtain item description and pricing. Make sure to buy from vendors that provide discounts and special prices to M-DCPS. Contact the Division of Procurement Management for current listing of authorized vendors.
- C. Complete the Purchasing Card Purchase Authorization form (FM-5707), which can be obtained via the portal under Forms. The Purchase Authorization form must be submitted to the Work Location Administrator for approval, after which the form may be submitted to the appropriate personnel authorized for making the purchase.

The Worksite Administrator, or their designee, is solely responsible for administering the location's budget and as such is solely responsible for the approval of the location's purchases including those utilizing the purchasing card. This form, along with additional paperwork in the Procurement Process, ex: quotes, invoices, acknowledgement of "Goods Receipt", should be maintained at the location for audit purposes.

- D. Cardholder must inform the vendor the purchase is being made with a purchasing card. Whenever possible, the Purchasing Card Purchase Authorization form should be faxed to the vendor as a record of the transaction.
- E. Ensure that the vendor is instructed to send all receipts/invoices related to the charge, to your work location and NOT to Accounts Payable for processing.
- F. Sound internal controls should be established in the receipt of products or services acquired via the Purchasing Card. Such as:
 - ❖ The person placing the order, should not be, when possible, the person receiving the product or service when they arrive.
 - ❖ Acknowledgement of receipt should be indicated on the packing slip/invoice as the product arrives.

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G. Retain all packing slips, receipts or invoices and attach to the Purchasing Card Purchase Authorization form. Ensure the invoice or sales slip clearly shows that no sales tax was charged.

H. Cardholder must submit the original Purchasing Cards Purchase Authorization form in date order to the assigned individual responsible for reconciling the work location's purchases to the monthly purchasing card statement.

I. Gasoline Purchases

When using the purchasing card to purchase gasoline, the receipt should be scanned and attached to the journal voucher created as part of the reconciliation process.

Be aware when purchasing gasoline, if the pump responds "Clerk has Receipt" you are required to go and obtain that receipt.

J. Purchases made utilizing Title I Funds the P-Card Holder is responsible to:

- ❖ Review and adhere to the requisition procedures included in the most current Title I Handbook, in order to avoid the possibility of an audit finding.
- ❖ It is the cardholder's sole responsibility to ensure that all required Title I supporting documentation is included with every purchase requisition (Form 5707).

K. Office Supply Purchases

Effective October 2013, the prescribed method for the purchase of any office supply items will be the P-Card and not the shopping cart. As such:

- ❖ Office supply purchases are exempt from the policy against "splitting" orders and may be purchased as frequently as needed using the P-Card (Single Transaction Limit of \$2,999.99 still applies).
- ❖ Shopping carts that are created for items that may be purchased using the P-Card will be rejected by Procurement.
- ❖ It is the Worksite Administrator's responsibility that staff is aware of the current bid awarded to office supplies vendor at all times.

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13. The Banks On-Line Access for Viewing Transactions

The District has its P-Card process with JP Morgan who has provided an on-line system which allows us to:

- ❖ View daily transactions
- ❖ Enter/generate disputes on charges
- ❖ Download the monthly statement
- ❖ View authorizations and declines

Access to the banks on-line system is set up for the cardholder by the Accounts Payable P-Card Section.

The website to access the bank is: www.paymentnet.jpmorgan.com

The process to access the bank is given to each cardholder in the training class. It is the cardholders' responsibility to ensure they attend a class. Cards will not be handed out until the cardholder attends a class.

14. The Banks On-Line Access for Generating Disputes

A. Fraudulent Activity/Transactions

The District has a very narrow window for reporting fraudulent activity/transactions to the bank. The bank provides the on-line PaymentNet system where the cardholder and another individual from the work location can access the system to view and verify the validity of charges posting to the account.

If a transaction is posted to a cardholder account, and after verification with the person authorized to make purchases on the behalf of the cardholder, it is determined to be fraudulent, the transaction should be disputed immediately. Do not wait until the end of the month.

Fraudulent activity must be reported to the bank 15 days from the statement closing date. The statement closing date is the last business day of the month. Fraudulent activity reported after the 15th of the month will leave the location with settling the charge and expensing the transaction.

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B. Problems with Statement Amounts or Merchandise Delivered

If there is a problem with a purchased item or billing resulting from the authorized use of the P-Card, you should contact the vendor to resolve the billing or damaged material.

In most cases these discrepancies can be resolved with the reputable vendors you are purchasing from. In some cases the resolution will be a credit issued to the account for any item that has been agreed to be returned, or price charged incorrectly. This credit may appear on a subsequent billing cycle's statement.

Under no circumstances should a vendor be permitted to bill for goods before they are shipped (i.e. they should not charge for back-orders). Vendors who bill before shipping goods should be advised that M-DCPS would discontinue purchasing from them when this practice is followed.

If you are unable to reach resolution with the vendor, you would generate the Dispute by logging into the PaymentNet system, clicking on the specific transaction and then click on the Dispute icon. A drop down menu will be shown where you can provide the detail of the reason for the dispute. Once selected, follow the system guidelines for any additional information that may or can be provided so the bank can intercede with the vendor on your behalf. Examples of disputed items are:

- ❖ The merchandise arrives broken and the merchant refused to replace it
- ❖ The invoice/charge is more than the receipt and the merchant refuses to issue a credit
- ❖ Vendor refuses to provide a credit

C. Tax-Free Status of Purchases

The card itself displays the tax-exempt number and should be sufficient identification to allow purchases to be made tax-free. However, there are vendors who will require a standard tax exemption form to be completed for their records. This should be completed to comply with their requirements.

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15. Reconciliation of Charge Receipts

- A. Each Work Location Administrator is responsible for obtaining the monthly statement from the on-line banking system, PaymentNet, and is responsible for reconciling the expenses to the monthly Purchasing Card Authorization Forms ensuring all billed charges match the original receipts from each purchase. Any discrepancies, due to unauthorized or incorrect charges, must be communicated directly to the purchasing card company for resolution utilizing the on-line Dispute process.
- B. Statements are available on-line by the 2nd of each month. The Worksite Administrator and the person assigned access to the PaymentNet system for reconciliation purposes should set up a recurring Outlook reminder at 7:30 am on the 2nd of each month to be reminded that the statements are available and the reconciliation process should now begin.

The completed reconciliation process and fully approved journal voucher is due by the 15th of each month to ensure that each worksite has reviewed their statements. This gives each worksite time to be able to report any fraudulent activity to the bank by the cutoff date which is the 15th of the month.

The statement reconciliation JV is considered late on the 16th of the month and the P-Card account subject to being suspended without notice.

If the statement reconciliation JV is not submitted by the last business day of the month, the location is subject to being “Locked-out” of the Procurement Shopping Cart system without notice.

Please note the only month that the reconciliation is due sooner than the 15th is the June Statement due to Year-End Closing. It is the Worksite Administrator’s responsibility to ensure if purchases are made during the month of June, there will be staff at the worksite to complete the reconciliation by the 8th of July.

- C. The Worksite Administrator should NOT approve the journal voucher until it is verified that the signed reconciliation form and the bank statement is attached.

If the journal voucher is charging a Title I program, the Worksite Administrator is responsible for ensuring the purchase falls under the Title I guidelines for Math, Reading and Language Arts. Documentation for all P-Cards purchases charged to Title I must be maintained at the work location for audit purposes.

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D. The Work Location Purchasing Card Administrator or designee (i.e., Treasurer) must reconcile the statement, utilizing the Monthly Reconciliation Worksheet form (FM-5828), which can be obtained via the employee portal, by selecting Apps|Services|Sites and then Records and Forms. Work Location Purchasing Card Administrators are responsible for ensuring that each cardholder account is reconciled by the 15th of each month. They should also review pending credits to ascertain that the account is credited appropriately. The Work Location Purchasing Card Administrator is also responsible for maintaining a system to retain documentation of purchases and returns, authorization forms, monthly cardholder statements, and other information supporting the purchase transactions. Internal control plans call for periodic internal audits of the program.

E. To begin the reconciliation process, add all purchases made during the month including returns and/or discrepancies.

Line 1: Looking at the P-Card Statement on the "Total Activity" line, enter the amount displayed in the "Charges" column

Line 2: Looking at the P-Card statement on the "Total Activity" line, enter the amount displayed in the "Credits" column

Line 3: Looking at the P-Card Statement in the section below the Total Activity line, enter the amount listed after the words "The Net Balance Was"

Line 4a*: If there are any expected credits that have not yet posted to the statement for purchases made in the month of the statement, enter the total amount of the expected credit

Line 4b*: If there are any expected credits that have not yet posted to the statement for purchases made in previous months, enter the total amount of the expected credit

Line 5: enter the SAP Document Number generated when the journal voucher is created

*List the pending credits due individually on page 2 of the reconciliation form.

F. Once the Work Site Administrator has reviewed and signed off on the monthly reconciliation, the work site must scan the reconciliation worksheet and monthly statement which will be attached to the journal voucher described in the Payment process.

The signing of the Reconciliation Form, and the scanning and attaching all of the required documentation should be done BEFORE the Worksite Administrator approves the journal voucher. The Worksite Administrator should ensure that if they are charging Title I funds, that the attachments also satisfy the Title I requirements.

POLICIES AND PROCEDURES

16. The Settlement Process

- A. Using the original statement and approved reconciliation form, the work location must generate a journal voucher, document type PC, to pay for and book their purchasing card expenditures.
 - B. Detail instruction on generating JV's and attaching documents are found by:
 - ❖ selecting the "HELP" icon on the SAP Portal main page
 - ❖ then the ERP Finance icon
 - ❖ followed by General Ledger
 - ❖ then P-Card Journal Entry and Attachments
 - C. Purchases must be categorized and grouped by funding structure and entered individually as a line item on the journal voucher (i.e., each line item represents a group of purchases charged to the same funding structure). The AP Clearing account total on the journal voucher must match the purchasing card statement due amount (i.e., Line 3 of the reconciliation).
 - D. Once the journal voucher has been entered and verified for accuracy, save the document as complete and note the SAP generated document number for future reference. Then "Save Approvers" on the next screen. Then the scanned reconciliation worksheet and monthly statement document, as well as any Title 1 requirements, must be attached to the journal voucher.
 - ❖ *Ensure that the reconciliation form is signed by the Preparer and Cardholder prior to scanning the document*
- Once the required documents are attached to the journal voucher, the individual must let the Worksite Administrator know the JV is now ready for their review and approval. The Worksite Administrator should NOT approve the journal voucher until they verify the required documentation is attached.
- E. The complete reconciliation package, consisting of the original reconciliation form, the monthly statement, authorization forms and invoices/receipts, must be maintained at the work location for audit purposes.
 - F. The Work Location Administrator is responsible for generating the purchasing card journal voucher by the 15th of every month.
 - G. The Accounts Payable P-Card Group is responsible for reviewing each journal voucher for internal control purposes.

POLICIES AND PROCEDURES

The Accounts Payable Purchasing Card Section is responsible for receiving and reviewing the master monthly statements for all purchasing card accounts. The Purchasing Card Section will notify the Work Location Administrator if an account is past due. In such cases, the Purchasing Card Section is authorized to suspend an account that does not comply with the procedures set forth as well as may lock-out the work location from accessing the Shopping Cart system until the issue is resolved.

17. Purchasing Card Purchase Authorization Form (FM-5707)

Cardholders must include all Purchasing Card Purchase Authorization Forms, showing purchases made using the purchasing card, as part of the monthly purchasing card reconciliation documentation maintained at their worksite. The forms provide a detailed description of each purchase, so that the Purchasing Card Administrator or designee can assign funding structures properly, and also provide a means for account reconciliation.

18. Training and information

All Work Location Purchasing Card Administrators, cardholders, and individuals responsible for the reconciliation process are required to attend training on the policies and procedures associated with the Purchasing Card Program. All participants must be knowledgeable of the purchasing card policies/procedures and other sources of information relevant to the program.

Monthly training sessions are scheduled through ITS and are accessible to view and register via:

<http://calendar.dadeschools.net/cal/calendar.nsf>

- ❖ the classes are under “Find A Meeting”
- ❖ then click on “By Title”
- ❖ and click on the letter “P” to find the “Purchasing Credit Card” for the list of classes

19. Encumbrance

The Purchasing Card Program was established, in part, to lessen the amount of paperwork and processing time currently needed for small-dollar purchases. Therefore, the charges **will not** be systematically encumbered until the monthly purchasing card journal voucher is created and posted.

Work Location Administrators are responsible for ensuring that sufficient discretionary funds (Fund 100000) or authorized Grant Expenditures (Fund 420000) are budgeted and available to cover all purchasing card charges made during the month.

POLICIES AND PROCEDURES

In order to ensure the timeliness of recording expenditures, especially prior to grant liquidation dates, fully approved journal vouchers are due on the 15th of each month. Reconciliations not submitted by the 16th and are subject to have the cardholders cards at the location suspended without notice.

If the reconciliation is not submitted by the end of the month, the location will be “Locked-out” of Procurements’ shopping cart access without notice.

20. Year-End Procedures

It should be noted that purchases made during the month of June ***must*** have the account reconciled and the journal voucher fully approved by the **second** Friday in July to have the expenditures recorded in the correct fiscal year.

Work Location Purchasing Card Administrators must ensure the appropriate personnel are available after the end of the school year to ensure the purchasing card statement is reconciled and a journal voucher generated in time to meet payment deadlines.

APPENDIX

KEY CONTACTS

To cancel or report your purchasing card lost or stolen, please call:

JP Morgan's Dedicated Commercial Card Customer Service Group

1-866-300-4911* (24 hours a day)

You may also call the phone number listed above (24 hours a day) for any other Purchasing Card customer service need.

To request specific information please contact the M-DCPS Purchasing Card Program Section via email at suaap@dadeschools.net. This email address is viewed by the department and the first available individual will respond.

Purchasing Card staff can be located at:

Name	Telephone	Position
Shawna Cleveland	(305) 995-2607	Coordinator
Raul Garcia	(305) 995-1695	ERP Analysts
Kenneth Gonzalez	(305) 995-1617	Account Representative
Eric Ojeda	(305) 995-1619	District Director

Detailed policies and procedures regarding the Procurement Purchasing Card Program can be obtained by accessing the employee portal and selecting Apps|Services|Sites. From there select eHandbooks.

- ❖ For the Policy and Procedure Manual enter "PURCHASING" under the Policy Manual Search Section
- ❖ For the JP Morgan PaymentNet system user guide enter "PAYMENTNET" in the User Guide Search section
- ❖ For the Training Class Material go to <http://tlc.dadeschools.net> and click on the TLC Bistro icon. From there go to the Main Course section and select Business Process Systems which will display Credit Card at which point you would click to see the presentation
- ❖ For the Business Process Procedure for Journal Voucher and attaching documents instructions, from the SAP portal main page

For assistance with purchasing regulations and vendors, contact the Division of Procurement Management at 305-995-1375.

Forms Search:

Cardholder Set-Up and Agreement Form (FM-6462) <http://forms.dadeschools.net/webpdf/6462.pdf>

Monthly Reconciliation Worksheet (FM-5828) <http://forms.dadeschools.net/webpdf/5828.pdf>

Purchasing Authorization Form (FM-5707) <http://forms.dadeschools.net/webpdf/5707>

PaymentNet Authorized Worksite Employee Set Up Form (FM-7475) <http://forms.dadeschools.net/webpdf/7475.pdf>

Limit Increase Request Form (7476) <http://forms.dadeschools.net/webpdf/7476.pdf>