

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 Department 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
- ❖ Total Amount charged in one (1) day
- ❖ Total Amount charged in one (1) month
- ❖ Type of 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 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 Management Services and Accounts Payable Departments and provide work locations with the flexibility to obtain authorized goods and services in support of day-to-day operations as well as instructional materials 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*
- ❖ *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*

All established Policies and Procedures pertaining to the Procurement of goods or services and the receipt of goods and services are to be followed. The Purchasing Card is an extension of School Board Policy 6320 – Purchasing. It is the cardholder's responsibility to ensure all the procedures, pertaining to the procurement and receipt of goods and services, are always followed including those that are not amplified within the Purchasing Card Program Policies and Procedures Manual.

School Board Policy 6320 – PURCHASING can be located by following the link below:

<https://go.boarddocs.com/fl/sbmd/Board.nsf/Public?open&id=welcome#>

Roles and Responsibilities:

Each worksite choosing 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 initiate 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

Application Process

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 Cardholder 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 chosen will also complete their own Purchasing Cardholder Set-Up Form and Cardholder Agreement which are 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.

The signed application form may be scanned and emailed to the Accounts Payable email account with the words P-CARD APPLICATION in the subject line to ensure routing to the appropriate staff member:

mdcpsvendorstatements@dadeschools.net

(this is a change based on the pandemic and the need to minimize the handling of paper)

Forms may also be sent to Accounts Payable either through:

school mail to Internal mail code (9999/602) or

US Mail PO Box 01-2570 Miami FL 33101 or

Dropped off at our office located in the School Board Administration Building suite 602

Maintain a copy at your location for your records. Accounts Payable will only generate a new account/card based on a fully completed form.

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 Administrative Director of Accounts Payable/P-Card Department by:

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

The request should include the names of the individuals and a justification as to why the location needs more than 3 cards. The Accounts Payable P-Card Department will maintain, in the work location's file, the copies of submitted requests for audit purposes.

Staff in Accounts Payable P-Card Department 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 location based on amounts or number of cards.

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

- ❖ For cardholders who need their card replaced due to a legal name change or lost card, the card will be mailed to the P-Card Department who will coordinate with the cardholder the best method to deliver the card to them. For cards that are nearing the expiration date, the bank will send the card directly to the cardholder one month prior to the expiration date. Once the new card has been activated, the expiring card should be shredded and destroyed as it will no longer be a valid card.
- ❖ For cardholders receiving a card for the first time, the P-Card Department will notify the cardholder once 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.

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

(Due to the current environment/restrictions surrounding the pandemic, two changes are currently in place which supersedes the above process:

- 1. Cards for first time card holders are not ordered until the card holder has attending the p-card training class and*
- 2. All other scenarios pertaining to issuing cards - name changes, current card expiring or replacement of lost/stolen cards – are being mailed to the card holder's address*

This process is in effect until the current environment/restrictions surrounding the pandemic are relaxed)

Timing of Issuing P-Cards

In our effort to safeguard the P-Card, the P-Card Department 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.

Cancellation of Card(s)

The Purchasing Card is the property of Miami-Dade County Public Schools. As such, the P-Card Department is notified if the cardholder changes work locations, goes on leave or terminates employment with the District. Upon the notification, the P-Card Department will close the account with the bank.

As such, the location, if possible, should retrieve the card from the cardholder and shred and destroy it as it will no longer be valid.

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 Cardholder's 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 Department.

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 1-800-316-6056.

The cardholder should then contact the P-Card Department to ensure the account has been closed with the bank and work with the cardholder on the reissuance of a new card with a new account number.

Security and Maintaining the P-Card

The security of the Purchasing Card is the cardholder's responsibility. As the P-card is the property of the District and to be used **only** for District related purchases, you should treat the P-card with the same level of care as you would your own personal credit cards. The cardholder is to know where their card is at all times. 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:

- ❖ Must approve every purchase prior to the purchase being made on the Purchase Authorization Form (FM-5707)
- ❖ Ensures the necessary funds are available at the time of purchase to ensure the reconciliation and the creation of the Journal Voucher is done timely the next month.
- ❖ May authorize an individual, at their location responsible for making purchases, to purchase on their behalf via the phone, fax or internet
- ❖ Must always safeguard the account number and expiration date
- ❖ Never leaves the card, account number information and the monthly statements in a conspicuous place
- ❖ Never gives or lends their card to someone else to make a purchase on their behalf at a store
- ❖ Ensures there is a receipt for every purchase made
- ❖ Resolves any Disputes or Billing errors with the vendor immediately
- ❖ Ensures that other individuals at their location who may have a card follow the same guidelines described herein
- ❖ Ensures they have a back-up person assigned to perform the monthly reconciliations
- ❖ Ensures individuals at their location who may have a card and are 10 month employees maintain the card in a safe locked secured place during the time period they are not working

Blocks Placed By Bank For Potential Fraudulent Activities

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

If the bank is not able to speak with the cardholder and confirm the charges are not fraudulent, a block will immediately be placed 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, the bank will contact and inform the P-Card Department. The P-Card Department 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 account for the cardholder.

Automatic Bank Closure of Inactivated or Unused Cards

The bank will automatically close accounts not activated or not used for 18 months. Since this is an automatic process, a cardholder who may need to use the card after it has been closed, will need to submit a new application.

Merchant Declines

Vendors are assigned a Merchant Category Code, otherwise known as an 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.

The District has reviewed the standard industry list of MCC codes and has identified the merchant codes 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 Department to determine if the purchase will be allowed.

The P-Card Department 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 Department as the program administrator from making a purchase that is not allowed.

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

Other potential reasons for declines

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

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

If you have been declined, the Cardholder may login to the bank's 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 Department 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.

Purchasing Card Limitations and Restrictions

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

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.

The P-Card Department will determine limits based on the position of the individual assigned the card.

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 Monthly Limit to be reduced by the amount authorized to the individual. Example: a worksite administrator at a Middle School 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.

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

The P-Card Department may approve increases in the monthly, daily, velocity and single transaction limits for different locations based 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, purchases for immediately required repairs to school buses, or maintenance vehicles, as well as repairs to school or district facilities.

If a worksite administrator would like to increase a card limit for a cardholder at their location, the Limit Increase Request Form (FM-7476) must be filled out and signed by the cardholder and the worksite administrator.

See on page 3 under the Application Process for instructions on how to send the sign form to Accounts Payable.

Staff in Accounts Payable P-Card Department is responsible for receiving the Limit Increase Request Form (FM 7476). Modifications may be made if it is deemed that the request is not justifiable.

Periodic Cardholder Review/Evaluations

The Accounts Payable P-Card Department 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.

Emergency and/or Disaster Recovery Situations

In the event of an emergency 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.

SCHOOL BOARD POLICY 6320 – PURCHASING

It is every cardholder's responsibility to ensure they fully understand and follow every aspect of this policy when making and authorizing purchases on their purchasing card.

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.

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:

- (1) political advertisement or electioneering communication
- (2) purchase of items for personal use (i.e., bottled water, coffee, cups, etc.)
- (3) food for meetings, awards, hospitality, and special observations
- (4) equipment for personal use (i.e., microwaves, refrigerators, coffee makers, etc.)
- (5) donations to outside parties
- (6) 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
- (7) taxes, late penalties; and/or
- (8) 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.

Type of Purchases Allowed Utilizing the P-Card

The following are some examples of the types of purchases allowed:

- ❖ Items associated with day-to-day operation of the worksite that are not on the Not Allowed section below
- ❖ Items associated with Curriculum and Instructional Support

- ❖ Web-based licenses, programs or subscriptions
- ❖ Registration/dues under the Schools/District name as required for magnet programs/academies

Type of Purchases Not Allowed 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
 - ✓ 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
 - Textbooks charged to programs 8560 and 8640
 - ✓ See the S&D Web page (<http://smd.dadeschools.net/>) or the SAP shopping cart for a listing of products available through S&D

In the event the item you are requesting is not available via S&D, obtain an email from S&D to use as our authorization to proceed with the purchase utilizing the P-Card. If you purchase an item sold by S&D, without the authorization from S&D, you will have an audit exception.

- ❖ Rental Agreements/Maintenance Repairs valued above 999.99
- ❖ Funding Sources requiring a WBS Element (Project Number for Capital Construction)
- ❖ Travel and Registration
 - All Field Trips related transactions including admissions and chartered bus transportation
 - 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
 - Individual memberships in professional, educational, community organizations and related activities and services such as wholesale membership clubs except pursuant to administrative guidelines based on the District's best interest developed by the Superintendent and approved by the Board
- ❖ Hospitality, Decorations and Beautifications
 - Refreshments, coffee, water, cups, plates, bottled water etc. including food purchases for hospitality meetings and special observances
 - Beautification and decoration accessories (i.e. plants, wallpaper, pictures, frames, designer or specialized supplies or equipment, etc.)
Air fresheners such as plug-ins, etc.

- ❖ Personal Items
 - Items for personal use (i.e., microwave, refrigerator, coffee makers, air purifier, fan, heater, electronic equipment, medicine, clothing, gifts)
 - Decorative letterhead or stationery, greeting cards, party supplies, decorative mouse pads, entertainment, holiday items, etc.
- ❖ Awards
 - Non-salary awards where the unit cost of the award exceeds \$100.00
 - Salary and monetary awards
- ❖ Other Miscellaneous
 - Cash advances of any kind
 - Charges totaling \$2,999.99 or more per vendor per purchase/charge (split orders are not allowed except for Office Supply items)
 - Business cards, except when approved in writing by a Senior Cabinet member
 - Tools and equipment not authorized by the Safety Department
 - Items in support of extracurricular school activities such as uniforms, tickets, t-shirts, games and costumes
 - Internal Fund related purchases
 - Consulting and professional services requiring a contract
 - 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

Splitting Transactions – Not Allowed

Work locations are prohibited from splitting purchases, through separate consecutive transactions to bypass the \$2,999.99 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.

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 is controlled by the vendor and will not be considered a split order.

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 Funds 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.

Schools Police Fuel Card

The Schools Police Department has authorized specific personnel assigned a rental vehicle a purchasing card for fuel. These rentals are not equipped with VIT devices maintained on the District fleet vehicles. The limits for monthly and single transactions are significantly lower as these cards are used strictly for the purchase of fuel.

Travel Card

For Board Members as well as selected Cabinet Members who travel frequently, a separate card will be issued with the ability to charge travel related purchases on the card.

The Travel Card users will follow School Board Policy 6550 – Travel and Per Diem guidelines for all transactions charged on the card. School Board Policy 6550 – Travel and Per Diem guidelines can be located by following the link below:

<https://go.boarddocs.com/fl/sbmd/Board.nsf/Public?open&id=welcome#>

followed by entering 6550 in the “Search for” field.

Foundation for New Education Initiatives, Inc. Purchasing Card

The Foundation for New Education Initiatives, Inc. (The Foundation) has been issued a purchasing card to pay for program related and administrative support expenses and fund-raising activities where the only form of payment is through a credit card. Prior to making purchases, the Purchase Authorization form (FM-5707) is submitted for approval to the cabinet member overseeing the Foundation. The Monthly Reconciliation Worksheet (FM-5828) is prepared and approved by the cabinet member overseeing the Foundation. Payment is made to MDCPS via a check from the Foundation.

PURCHASE PROCEDURES

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

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

Contact Procurement Management Services for additional information on approved vendors authorized to provide goods and services to the District.

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, unless the vendor is a Sole-Source Vendor at which point you must obtain a Sole-Source letter as back-up.

Contact Procurement Management Services for additional information on the 3 quotes requirement and/or assistance with the list of Minority Vendors.

It is recommended, regardless of the dollar amount of the purchase, that the Grant Award letter detailing the type of purchases allowed by the grant, EESAC Minutes authorizing a purchase, the Magnet/Academy specifications, or other authoritative documentation be included as part of the support of the purchase.

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 Procurement Management Services for current listing of authorized vendors.

Ensure the vendor accepts the District's tax-exempt status. If they do not, another vendor should be selected.

Complete the Purchase Authorization Form (FM-5707), which can be obtained via the portal under Forms. The Purchase Authorization Form (FM-5707) 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.

Cardholder must inform the vendor the purchase is being made with a purchasing card. Whenever possible, the Purchase Authorization Form (FM-5707) should be faxed to the vendor as a record of the transaction.

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.

We are emphasizing here that 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.

Retain all packing slips, receipts or invoices and attach to the Purchase Authorization Form (FM-5707). Ensure the invoice or sales slip clearly shows that no sales tax was charged.

Cardholder must submit the original Purchase Authorization Form (FM-5707) in date order to the assigned individual responsible for reconciling the work location's purchases to the monthly purchasing card statement.

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 obtain the receipt.

Purchases made utilizing Title I Funds, the Cardholder 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 support documentation is included with every Purchasing Authorization Form (FM-5707).

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 Management Services.
- It is the Worksite Administrator's responsibility to ensure they and their staff know the current Bid Awarded Office Supply Vendor at all times.

THE RECONCILIATION PROCESS

The Bank's 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 bank's on-line system is set up for the cardholder by the Accounts Payable P-Card Department.

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 cardholder's responsibility to ensure they attend a class. A card will not be handed out until the cardholder attends a class.

Fraudulent Activity/Transactions – Generating Disputes

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 may result in the location settling the charge and expensing the transaction.

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 a discrepancy can be resolved with reputable vendors. 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 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 within 10 days, the actual cardholder would generate a dispute by logging into the PaymentNet system, clicking on the specific transaction and then click on the Dispute icon. Those individuals who are authorized to reconcile the account, are not authorized to generate a dispute as they do not have a Pcard in their name. 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 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

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.

Reconciliation of Charge Receipts

Each Work Location Administrator is responsible for ensuring their monthly statement is downloaded from the on-line banking system, PaymentNet, either by themselves directly or the individual who they have assigned to reconcile their account. The Work Location Administrator is responsible for ensuring each transaction on the statement is reconciled to the monthly Purchase Authorization Form(s) (FM-5707) 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.

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 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.

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 second Friday of July.

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. Documentation for all P-Cards purchases charged to Title I must be maintained at the work location for audit purposes.

The Work Location Purchasing Card Administrator or designee (i.e., Treasurer) must reconcile the statement, utilizing the Monthly Reconciliation Worksheet (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, Purchase Authorization Form(s) (FM-5707), monthly cardholder statements, and other information supporting the purchase transactions. Internal control plans call for periodic internal audits of the program.

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

On the Monthly Reconciliation Worksheet (FM 5828), for Lines 1 through 3, look at the Account Summary section from the statement and:

Line 1: Enter the Purchases & Other Charges

Line 2: Enter the Credits amount

Line 3: Enter the Net Charges

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.

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 reconciliation sheet and banks statement should be scanned and attached as one document. The location may also scan and attach as a separate document all of the supporting back-up associated for the purchases during the month so that all paperwork is attached to the journal voucher.

The signing of the Monthly Reconciliation Worksheet (FM-5828), and the scanning and attaching 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.

The Settlement Process

Using the original statement and approved Monthly Reconciliation Worksheet (FM-5828), the work location must generate a Journal Voucher, document type PC, to pay for and book their purchasing card expenditures.

Detail instruction on generating JV's and attaching documents are found on the Technology Learning Center website: <http://tlc.dadeschools.net>

- ❖ Scroll down and click on RESOURCES
- ❖ Select CREDIT CARD
- ❖ Scroll down to the LINKS section
- ❖ Select Creating a P-Card Journal Voucher User Guide
- ❖ To add the required documents select New Way to Add an Attachment to a Finance Document in a JV

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).

Once the journal voucher has been entered and verified for accuracy, click on the Save As Completed icon 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 Monthly Reconciliation Worksheet (FM-5828) 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 attachments are attached.

The complete reconciliation package, consisting of the original Monthly Reconciliation Worksheet (FM-5828), the monthly statement, Purchase Authorization Form(s) (FM-5707) and invoices/receipts, must be maintained at the work location for audit purposes.

The Work Location Administrator is responsible for approving the purchasing card journal voucher by the 15th of every month.

The Accounts Payable P-Card Department is responsible for reviewing each journal voucher for internal control purposes.

The Accounts Payable Purchasing Card Department is responsible for receiving and reviewing the monthly statements for all purchasing card accounts. The Purchasing Card Department will notify the Work Location Administrator if an account is past due. In such cases, the Purchasing Card Department 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.

Purchase Authorization Form (FM-5707)

Cardholders must include all Purchase Authorization Form(s) (FM-5707), 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 provide a means for account reconciliation.

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 PDMS – Professional Development Management System accessible via the employee portal.

- ❖ The classes are located under “Activity Catalogs”
- ❖ Then click on District Catalog
- ❖ In the Search Term fields type in “pcard” and press enter.
- ❖ Click on the class you would like to attend
- ❖ Then click on “Sign Up Now”

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.

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.

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 are subject to have the cardholder's cards at the location suspended without notice.

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 booked to the Fiscal Year just ended.

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, call:

JP Morgan's Dedicated Commercial Card Customer Service Group

1-800-316-6056* (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 contact the M-DCPS Purchasing Card Department 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
Gerome Battle	(305) 995-1695	Staff Specialist
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 Training Class Material go to <http://tlc.dadeschools.net> and click on the RESOURCE icon and select CREDIT CARD.

For assistance with purchasing regulations and vendors, contact Procurement Management Services at 305-995-4288.

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>

Purchase 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>