

Purchasing Card Procedures

The district has contracted with JP Morgan Chase to provide designated employees with a district managed credit card which is known as a purchasing card (p-card). These cards have restricted dollar limits and merchant groups, but will improve the ability to make district purchases.

The purchasing card is intended to simplify the purchase process in several ways:

- Replace the need for low dollar purchase orders;
- Allow for online purchases from vendors who do not accept purchase orders;
- Minimize personal reimbursement transactions; and
- Decrease the turnaround time for receiving orders.

Roles and Responsibilities

Cardholder

Each card will have a cardholder who is the administrator with budget authority for the card. The cardholder is responsible for approving all card purchases and for authorizing payment of monthly charges.

Card Custodian

Each card will also have a card custodian who will be responsible for the day-to-day control of the card. The card custodian is responsible for maintaining and preparing the proper documentation for the reconciliation of monthly statements by the cardholder.

Card User

The card user is the individual that actually uses the p-card.

Purchasing Guidelines

The p-card may be used only for purchases that are allowable under the purchase order, imprest account or expense reimbursement processes. Purchases are for district use only. The p-card can be used at any qualified merchant who accepts credit cards. If the merchant is online, you are responsible for reviewing the vendor's return policies and acceptability as a district vendor before making a purchase. If in doubt as to a merchant's suitability, contact Business Services prior to completing the purchase. Food purchases must be made in accordance with district policy.

Card users must have prior administrative approval as per district policy. Any questions as to the appropriateness of a purchase should be directed to Business Services.

Examples of non-appropriate purchases include:

- Contracted service agreements;
- Personal items or any other non-district expense;
- Gifts or donations;
- Cash advances; and

- Technology items such as computers/tablets/cell phones/software/online subscriptions.

Business Services may evaluate the use of a p-card for technology equipment and capitalized equipment if it is determined to be in the best interest of the district.

P-cards needed for travel can be checked out at the district office.

All purchases must be delivered to the employee’s work location or the district office and not to personal addresses.

Do not store p-card information on a web browser. If a window pops up and asks if the computer should remember the card information, select “no”.

Credit Limits

Business Services will determine and set the credit limits for each card based on the intended use. Each card will have a maximum per transaction limit and a maximum per card per month limit. The standard limits are listed below. Business Services may assign a different limit if it is in the best interest of the district. Do not attempt to circumvent these limits by asking the vendor to split the order.

Type of Card	Per Transaction Limit	Monthly Card Limit
Department Cards	\$500	\$2,500
Individual Cards	\$2,500	\$10,000
Business Services Cards	Based on intended use	Based on intended use

Lost or Stolen Cards

If a p-card is lost or stolen, promptly notify the bank and contact Business Services.

The card will be closed and a new card will be issued. If the old card is located at a later date, return it directly to Business Services. The card will be properly destroyed. Do not attempt to use the old card after it has been cancelled.

Fraud Control

Account security is a major concern for the district. Our risk factor for credit fraud has increased due to increased phishing emails, bogus internet websites designed to fraud, and increasing incidents of identity theft.

If You Identify a Fraudulent Charge on Your Card

- Contact the merchant to gather information about the charge, dates, contact info, shipping info, etc. Try to get the charge removed.
- Contact Business Services.

If JP Morgan Chase Identifies a Fraudulent Charge on Your Card

JP Morgan Chase provides fraud control through account monitoring, verification of transactions with the cardholder, as well as canceling cards to avoid further loss.

If you are contacted by a JPMorgan Chase fraud team member, please respond using the following guidelines:

- JP Morgan Chase representatives will identify themselves, state the purpose of the call and provide the card number in question. If you have concern over the identity or validity of the JP Morgan representative ask for a call back number through their main switchboard.
- District cardholders may not give out their card numbers. However, they may confirm the card number provided by JP Morgan Chase.
- District cardholders will be asked if certain transactions are valid and approved by the cardholder. Because the transactions are monitored and identified prior to posting, in some cases, the representative may not yet have the vendor name. He/she will have the dollar amount and the Merchant Category Code (MCC). This is a universal credit card code that identifies the type of business (e.g. MCC 5261 = hardware).
- District cooperation in confirming or denying the questioned transactions/purchases is critical to the value of this notification.
- Contact Business Services immediately following the interview.
- In the event of fraudulent charges, JP Morgan Chase will send an affidavit to the cardholder to sign and return to JP Morgan Chase. Forward a copy of the completed affidavit to Business Services.
- The card will be de-activated and a replacement card will be issued.

Individual Cardholder Setup

A purchasing card can be issued in the name of an individual and the district. This provides the cardholder and the district with fraud protection in case of misuse of the card. The cardholder must sign a Memorandum of Understanding (MOU) which details the responsibilities of the employee. The MOU is signed by the cardholder and their manager and returned to Business Services. A new MOU must be completed at the beginning of each fiscal year. The individual cardholder is responsible for all charges to their card; therefore, it should be kept in a secure location and not be loaned to another person.

Department Card Setup

Purchasing cards can also be issued in the name of a school or specific department. This provides flexibility in the use of the card but the card custodian/administrator in charge of the card needs to be diligent regarding fraud protection in case of misuse. The card is provided to a card custodian who will be in charge of safeguarding the card and meeting and providing monthly reconciliation reports to the business office. That designated employee must sign a MOU which details the responsibilities of the employee. The MOU is signed by the card custodian and their card holder and returned to Business Services. As with the individual cardholder set up, a new MOU must be completed at the beginning of each fiscal year.

Travel Cards

Travel Cards will be issued to travelers to pay for:

- Registration
- Airfare
- Lodging – A personal card may be used to hold a reservation.

- Ground transportation – shuttle, taxi, rental car, parking. Cards may not be used for rideshare services such as Uber and Lyft because of the requirement to save a card number in the rideshare application. This creates the possibility of using the card for personal use.
- Gas for rental car or district vehicle only.
- Allowable meals. If meals are provided as part of the conference, you may not use the travel card to purchase those meals.

All district policies and procedures (Travel Expenses 6213 and 6213P) must be followed.

Check-out Process

1. The traveler(s) completes a Travel Request Form (B-100) and has it approved by the supervisor. This form details who is traveling, where they are going, the purpose of the travel, and the dates of travel.
2. Contact Purchasing at 425-431-7067 or 425-431-7066 to arrange an appointment to obtain a travel card. Bring the fully completed B-100.
3. The traveler signs the check-out log, a Memo of Understanding, and receives a Purchasing Card Reconciliation form.
4. The travel card should be returned to Purchasing within five (5) days of returning from travel. It should be returned along with the Purchasing Card Reconciliation form with original itemized receipts, the traveler's signature, and a supervisor's signature. Please turn in ALL receipts for charges on the card. If there is more than one traveler on a trip, one person may check out the card to pay for all the necessary allowable expenses for all the travelers and be responsible for submitting the appropriate paperwork.

Using a Purchasing Card

1. A purchase is made following cardholder approval. When an employee other than the cardholder or card custodian wishes to use the card, they check it out and fill out a Purchasing Card Transaction form.
2. Gather necessary documentation: order confirmation, original itemized receipt, and packing slips or other proof of delivery. These documents will be attached to your Transaction Detail Report that is sent to Business Services monthly for reconciliation.

Receipts should include the following information:

- Vendor identification (merchant name);
- Date the purchase was made;
- Description, quantity and unit cost for each item purchased;
- Total cost of order (IMPORTANT: was tax charged?); and
- Card name or last four digits of the card number.

Charge slips that do not identify the items purchased are not acceptable documentation. If an un-itemized charge slip is the only available purchase record, the user must sign an Affidavit of Lost or Non-Itemized Receipt form to certify that costs are true expenses of the district.

Lack of Receipt

In the event a receipt is lost or not originally obtained from the merchant, contact the merchant to obtain a copy of the receipt. If they are not able to replicate the receipt,

complete an Affidavit of Lost or Non-Itemized Receipt form and attach it to the Cardholder Activity Report for Reconciliation.

3. Reconciling Statements and Approving Payments

Schools and departments must reconcile purchasing card charges monthly. The cardholder and the card custodian at each school or department will have access via the internet to the JP Morgan Chase system that displays monthly transactions and monthly totals on the cards issued to the site. Business Services will send out a monthly Transaction Detail Report. Each statement must be reviewed, initialed, and dated by the cardholder. Forward the original to Business Services.

4. Send the original signed report and supporting documents to Business Services by the 15th of each month.

Disputing Transactions

Disputed items may result from a failure to receive goods, misuse, defective merchandise, incorrect amounts being charged, duplicate charges or credits not yet received. It is the cardholder's responsibility to resolve disputes, which should be handled as follows:

- Contact the vendor to clarify and resolve any differences or problems.
- Document vendor contacts (name of customer service representative, phone numbers, dates, action to be taken, resolution deadline, return authorization numbers, etc.)
- If needed, return merchandise via a traceable or documentable means such as UPS and request proof of delivery.
- If you are charged for merchandise that has not yet been received, request proof of delivery from the merchant.
- Complete the Purchasing Card Dispute form and forward it to Business Services.
- Federal law provides a 60-day window through which formal disputes must be reported to the bank to preserve our dispute rights. We want to start addressing the issue within the first 30 days.

[Memorandum of Understanding for District-Issued Purchasing Card](#)

[Purchasing Card Transaction Form](#)

[Purchasing Card Dispute Form](#)

[Affidavit of Lost or Non-Itemized Receipt](#)

Adoption Date: 03.12.13

Edmonds School District

Classification:

Revised Dates: 10.05.17