



ROCK HILL
Schools

**P-Card Program
Policy and Procedures Manual**

Effective July 1, 2023

Procurement Specialist/P-Card Administrator- 803-981-1162

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I. INTRODUCTION

Welcome to the Rock Hill School District's Purchasing Card (P-Card) program. This program is designed to help manage low dollar purchases. These policies and procedures have been designed to explain the benefits which will result from the program, the responsibilities of the Cardholders and the Card Users, and reasons for revocation of a card.

The P-Card Administrator in Procurement Services will monitor the performance of the program. All questions or concerns should be directed to the P-Card Administrator in Procurement Services.

The success of the P-Card program and its continuing use depends on your participation and cooperation. Please be sure to read and follow the program guidelines as specified within this manual.

II. PURPOSE

The P-Card is a Visa credit card issued by Bank of America. The purpose of the P-Card is to provide a fast, flexible way to purchase small dollar goods and services as identified in the District's Procurement Manual. The P-Card simplifies the purchasing process and is a supplement to purchase orders (POs). The P-Card will enable its users to order online, by phone and in person directly from merchants. Procurement Services is responsible for oversight of the P-Card Program.

III. PROGRAM BENEFITS

The P-Card program provides a cost efficient alternative method for purchasing supplies and services not exceeding \$3,500. The card provides built-in features to make the program easy to control and monitor. It also reduces the volume of requests for procurement services of small purchases and enables the district to focus on higher yield, value-added activities.

IV. STAKEHOLDERS

Rock Hill School District 3 (District) - Arranges with the card issuer, Bank of America, to have P-Cards issued to approved employees and agrees to accept liability for the employees' use of the cards.

Card Issuer - The banking institution, currently Bank of America, whose services includes issuing P-Cards to district employees, providing electronic transaction authorizations, and billing the district monthly for all purchases.

P-Card Administrator - An employee of the district assigned by the Director of Procurement Services to provide daily program oversight of processes and support to all cardholders.

Coordinates with the card issuer to resolve cardholder discrepancies and ensure industry best practices.

Cardholder - An employee of the district who has been approved to procure goods and services not exceeding \$3,500 on behalf of the District.

Card User - An employee of the district who has received authorization from the Cardholder to procure goods and services using the P-Card on their behalf.

Liaison - An employee of the district designated by the principal or department head to oversee daily use of the P-Card and to ensure transactions are properly classified, allocated, and signed off. In most cases this role belongs to the bookkeeper.

Accountant - A designated employee of the Office of Business Services to monitor reconciliation procedures by Liaison, identify use tax owed, batch and upload transactions into accounting software, and ensure timely payment of the monthly P-Card billing statement.

Merchant - A person or company who accepts a VISA credit card.

V. POLICIES

Eligibility & Acceptance

The participants of the district P-Card program must be a district employee who is assigned to execute purchase transactions on behalf of the district. A Request for P-Card Form (**Exhibit I**) must be completed and signed by the employee's supervisor, principal, department head or superintendent. The signed request must be submitted and approved by the Office of Business Services. P-Cards will be issued to administrators, athletic directors, band directors, and Facilities Services personnel as deemed necessary. All participants involved will be provided mandatory P-Card training and complete the Certificate of Acceptance (**Exhibit II**) prior to receiving the card. The P-Card will have the cardholder name, district, account number and the expiration date embossed on the face of the card.

Use of P-Card

THE P-CARD IS FOR OFFICIAL DISTRICT USE ONLY. The participant may use the P-Card for district related purchases of goods and services. It is to be used for purchases not exceeding \$3,500 for supplies, materials, equipment, or services where not otherwise restricted. All purchases must be within card limits unless prior, written approval is received to exceed these limits. Purchases from open market sources should be distributed equitably among suppliers.

Card Security

The Cardholder is responsible for the security of the P- Card and any transactions made. P-Card must be kept in a secured location when not in use. Proper sign out records for the P-Card must be maintained. The P-Card must be returned in a timely manner. When circumstances dictate the need for P-Card usage after hours, cards may be kept overnight with appropriate approval.

Merchant Category Code (MCC)

This is a four-digit number listed in ISO 18245 for retail financial services. An MCC is used to classify a business by the types of goods or services it provides. The District has blocked certain MCC numbers (**Attachment A**) in conjunction with the State of South Carolina P-Card Policy to reduce the potential for prohibited and unauthorized purchases.

Prohibited Purchases and Purchases Requiring Prior Approval

Personal purchases of any kind are strictly prohibited. A personal purchase constitutes the purchase of goods or services intended for non-work related use or use other than official district business.

The following purchases are strictly forbidden by use of P-Card:

- Alcoholic beverages
- Tobacco products
- Professional services such as Engineers, Architectures, Consultants
- Gift cards, gift certificates, prepaid cards
- Calling cards
- Recurring subscriptions that require the cardholder number to be saved for future use, i.e. Amazon
- Purchases using blocked MCC's
- Cash advances, of any form, including the use of the P-Card or card number at Automated Teller Machines (ATM)
- Payment to officials for athletic events
- Clothing or other related items not imprinted with the district or school logo for employees
- Ebay Purchases
- Purchases that go through a third party such as Paypal if the payment is being made to an individual's name. (Transactions MUST be made to a business.)

The following purchases must have prior approval. If prior approval is not requested, the General Fund budget will be charged if applicable.

- Capital expenditures require approval from Office of Business Services (**Exhibit III**)
- Entertainment, including movies, and amusement parks
- Fuel/gasoline (See Travel)

- Food/meals over allotted amount/occurrences (See Food Purchases)
- Technology devices require approval from Office of Technology
- Software and/or licenses require approval from Office of Technology

Deviations

Deviations will be considered for purchases with the following exclusions: merchant will not accept a purchase order, emergency procurements, and purchase order exempted items. The purchase order exempted purchases must be in accordance to the Procurement Procedures and Finance Business Procedures manuals. The Cardholder and or the Liaison must submit a Request for P-Card Deviation (**Exhibit IV**) to Procurement Services for review and approval prior to using the P-Card. All P-card increase requests must be approved in advance through Procurement Services prior to purchasing.

Split Purchases

Cardholders are not allowed to split transactions to avoid the Single Transaction Limit (STL) of \$3,500. Splitting transactions is strictly prohibited and will result in ratification. Further occurrences may result in relinquishment of card privileges.

Utilization of Small/Women/Minority Business Enterprise

In accordance with the district Consolidated Procurement Code it is in the best interest for small, women, and minority businesses (S/W/MBE) to have the opportunity to fully participate in the overall procurement process of the District. In order to effectively maximize the sharing of business opportunities with S/W/MBE, the use of the P-Card is highly encouraged for goods or services not exceeding \$3,500.

Credits

The merchant must issue a credit to the individual P- Card that was used for the return purchase. Under no circumstances shall a P-Card user accept cash in lieu of a credit.

Emergency Transactions

In the event of an emergency, such as a natural disaster, the P-Card Administrator may request the Chief Procurement Officer's (CPO) approval for the issuing bank to temporarily unblock certain MCC's, temporarily raise the transaction limits for specific P-Cards, or both. Requests must be made in writing to the CPO.

Lost or Stolen

It is the responsibility of the cardholder and/or their liaison to ensure safe keeping of the P-Card. The excessive misplacement, lost, and/or stolen P-Cards could result in suspension or termination from participation in the program. Cardholders and/or the Liaison must immediately report a lost or stolen card to the Card Issuer and the P-Card Administrator. Cardholders must notify their Liaison. Contact information for the Card Issuer:

Bank of America/ 24 hours 7 days a week

Company Level Support

1-800-822-5985 Option 1

P-Card Expiration

The P-card expires every two years and the date of expiration is shown on the front of the card. A notice will be issued by the P-Card Administrator to the Cardholder prior to the expiration date advising them to update the Certificate of Acceptance in order to receive the new P-Card.

Any travel, purchase of supplies, or other services booked prior to receiving the new P-Card will be declined if the merchant has not received the new P-Card information. Account numbers do not change but expiration dates do. To avoid any problems, all pending transactions should reflect the new card information with the new expiration date. The goal is to avoid any declined transactions, delays in shipping, or issues with employees checking into hotels. Special attention should be given to any travel that may be booked, as travel is sometimes booked far in advance. The hotel credit card authorizations should reflect the correct P-Card number and expiration date.

Termination & Transfers of Employment

If the Cardholder terminates employment with the district, the Liaison must immediately notify the P-Card Administrator. Cardholders agree to surrender and cease use of the P-Card upon termination of employment or any other reason deemed necessary. The cardholders account must be terminated immediately by the P-Card Administrator upon notification from the Liaison. Subsequent use of the P-Card after Cardholder termination by any district employee can lead to disciplinary actions, see Violations.

VI. RESPONSIBILITIES

Cardholder

The P-Card is a corporate charge card which will not affect the Cardholder's personal credit. However, it is the Cardholder's responsibility to ensure that the card is used within the guidelines of this manual and the Procurement Procedures Manual. Failure to comply with program guidelines may result in permanent revocation of the card, notification of the situation to management, and further disciplinary measures that may include termination. The Cardholder is ultimately responsible for their P-card regardless of any delegation given.

Responsibilities include but not limited to:

- Ensuring the P-Card is used for legitimate district purchases only.
- Ensuring the card is secured at all times.
- Assigning a card Liaison.
- Adhering to the purchase limits and restrictions of the P-Card in accordance with district policy and procedures.
- Ensuring sufficient available card balance prior to attempting a purchase.
- Obtaining the lowest possible cost for the item or service based on the requirements.
- Notifying Liaison immediately of authorized charges, providing supporting

documentation, transaction logs, and receipts for monthly reconciliation.

- Complying with all procurement and P-Card policies and procedures.
- Ensuring there is an account number, printed name and signature of purchaser, and date on each receipt.
- Coordinating with their Liaison of weekly audits to ensure their school/department is adhering to program policy and procedures.
- Coordinating with the Liaison to ensure that an appropriate credit for any reported disputes or billing errors are received from the merchant. Never accept cash in lieu of credit to the P-Card.
- Reporting a lost or stolen card immediately to the P-Card Administrator and the Liaison, reducing the liability for potential fraudulent activity.

Card User

Written authorization must be provided by the Cardholder to an individual within their school or department to procure items on their behalf using the P-Card. It is the card user's responsibility to ensure that the card is used within the guidelines of this manual and the Procurement Procedures Manual. Failure to comply with program guidelines may result in permanent revocation of the card, notification of the situation to management, and further disciplinary measures that may include termination.

Responsibilities include but not limited to:

- Receiving approval from Cardholder and providing a signed P-Card User Authorization Form (**Exhibit V**) for each transaction. The form shall be submitted to the Liaison along with receipt within two (2) days of purchase.
- Complying with all procurement and P-Card policies and procedures.
- Ensuring the card is secured at all times.
- Placing orders and receiving goods or services.
- Ensuring there are no backorders for items being purchased.
- Obtaining the lowest possible cost for the item or service needed based on the requirements.
- Comparing credit card charge receipt with itemized invoices and verifying totals match.
- Coordinating with the Liaison to ensure that an appropriate credit for any reported disputes or billing errors are received from the merchant. Cash must never be accepted in lieu of credit to the P-Card.
- Requesting correct receipts and credit slip if totals do not agree.
- Ensuring there is an account number, printed name and signature of purchaser, and date written on each receipt.
- Providing credit card receipt, itemized invoice, and card immediately back to the Liaison. The P-Card may not be kept overnight unless prior permission has been given by the Cardholder.

Liaison

It is the responsibility of the Liaison to ensure that the card is used within the guidelines of this manual and the Procurement Procedures Manual.

Responsibilities include but not limited to:

- Ensuring the card is secured at all times.
- Placing orders and receiving goods or services.
- Ensuring sufficient available card balance prior to a purchase.
- Ensuring there are no backorders for items being purchased.
- Comparing credit card charge receipt with itemized invoice and verifying totals match.
- Requesting correct charge and credit receipt if totals do not agree.
- Ensuring there is an account number, printed name and signature of purchaser, and date written on each receipt.
- Receiving all credit card charge receipts daily.
- Identifying and notifying the Accountant of transactions requiring the submission of use tax.
- Notifying the P-Card Administrator immediately of a lost or stolen card and fraudulent activity.
- Maintaining a signed P-Card Transaction Log (**Exhibit VI**) for each Cardholder including all receipts, indicating all purchases are received for internal and external audit purposes. The log must be signed monthly.
- Providing a copy of the signed P-Card Transaction Log to the P-Card Administrator via email by the 15th of the following month.
- Coordinating and verifying with the Cardholder to ensure program compliance by providing signed and dated invoice, packing slip, sales or credit card receipt to verify that the items purchased were actually received.
- Notifying the P-Card Administrator and/or Accountant of any discrepancies in totals.
- Ensuring all documentation (invoice, receipt, Authorization to Use P-Card, and any other relevant documentation) for all transactions are uploaded within ten (10) days of the posting date in WORKS. If transaction falls at the end of the month it must be uploaded by the **7th** of the following month.
- Filing and using WORKS reports for tracking, managing, and forecasting, if needed.
- Reporting of fraud, misuse, or abuse to the P-Card Administrator.
- Submitting the P-Card Maintenance Form (**Exhibit VII**) to the P-Card Administrator of any changes within your location's program.
- Complying with all procurement and P-Card policies and procedures.

P-Card Administrator

Serves as the district-wide contract administrator for the P-Card program, including provision of liaison services between Office of Business Services, the Card Issuer, Cardholders and their Liaisons.

Responsibilities include but not limited to:

- Ensuring user compliance with the P-Card Policy.
- Defining responsibilities of the district P-Card Program personnel and establishing processes for changes in personnel.
- Defining criteria for obtaining a P-Card.
- Defining acceptable use of the P-Card that coincides with the State of South Carolina P-Card Policy.
- Investigating suspected misuse, abuse or fraudulent use of the card and recommending consequences.
- Reviewing the policy for adequacy and updating at least annually.
- Performing audits and other independent reviews of all areas of program administration and transactions as deemed necessary.
- Establishing written internal procedures that address establishing the profile for each P-Card (including all blocked MCCs) and how to use the P-Card, including telephone and internet orders, to maintain security over P-Card account information.
- Monitoring Cardholder accounts for inactivity and closing accounts that are no longer needed or have been dormant for three (3) months.
- Working with the Administration on appropriate spending limits for the program as a whole and for individual Cardholders.

Accountant

It is the responsibility of the Accountant to ensure that procedures relating to the coding of transactions, within the card payment processing system, are followed.

Responsibilities include but are not limited to:

- Verifying that Liaisons have allocated charges, scanned receipts, and signed off within required time limits.
- Communicating with Liaisons of any necessary changes.
- Batching and exporting of P-Card transactions.
- Posting P-Card transactions to the accounting software.
- Generating journal entry to offset the monthly ACH payment.

VII. PROCEDURES FOR PURCHASES

Request for P-Card Deviations

Deviations will be considered for purchases with the following exclusions: merchant will not accept a purchase order, emergency procurements, and purchase order exempted items.

\$3,500.01- \$10,000.00 Purchase

If the purchase requires the single transaction limit to be increased over \$3,500 and not exceeding \$10,000.00, the following must be submitted to the P-card Administrator for approval:

1. Indicate type of procurement and/or purpose: Quotes (3), Sole source, Contract number,

or purchase order exemption.

- a. If 3 quotes are required, submit the comparable quotes comparing items and quantity (preferably in the same order), include shipping as a line item, and have a total amount at the bottom. It should be noted if there are no shipping costs.
 - b. For a sole source purchase, submit the approved sole source justification form along with the quote.
 - c. If the merchant is on contract, indicate the contract number on the paperwork.
 - d. For an emergency purchase, submit the approved emergency justification form along with the quote.
 - e. For a purchase order exemption, indicate the exemption.
2. Request for P-Card Deviation signed by an authorized individual and showing account number used and a general purpose statement of what is being purchased. Indicate whether there is a need to increase the spending limit and the date for the card to return to its normal limit.
 3. Attach all relevant quotes, sole source justification form, or contract information and send it to the P-Card Administrator requesting approval. Once the P-Card Administrator has reviewed all the documentation an email will be sent stating the approval of increase and the date the card will return to the normal limit(s).

\$10,000.01 and up Purchase

If the purchase requires the single transaction limit to be increased over \$10,000, the following must be submitted to the P-card Administrator for approval:

1. Indicate type of procurement and/or purpose: Sole source letter, contract number or purchase order exemption.
 - a. For a sole source purchase, submit the approved sole source justification form along with the quote.
 - b. If the merchant is on contract, indicate the contract number on the paperwork.
 - c. For an emergency purchase, submit the approved emergency justification form along with the quote.
 - d. For a purchase order exemption, indicate the exemption.
2. Request for P-Card Deviation signed by an authorized individual and showing account number used and a general purpose statement of what is being purchased. Indicate whether there is a need to increase the spending limit and the date for the card to return to its normal limit.
3. Attach all relevant quotes, sole source, or contract information and send it to the P-Card Administrator requesting approval. Once the P-Card Administrator has reviewed all the documentation an email will be sent stating the approval of increase and the date the

card will return to the normal limit(s).

In Person Purchases

When a purchase is made, the Cardholder/User must receive items prior to processing payment. An itemized receipt of the items must be provided by the supplier at the time of purchase. The P-Card and receipts must be returned within two (2) days of purchase to the Liaison with the account number, printed name and signature of purchaser, and date written on receipt. Each individual purchase must be documented in the P-Card Transaction Log. The Liaison must use the approved Card Issuers software to verify, allocate, sign off, and approve within ten (10) days of the posting date.

Telephone Purchases

When ordering by telephone, the Card User must verify that the merchant will accept a P-Card. The Card User must confirm availability of the item(s) and shipment date prior to payment to the merchant. Be sure to give the appropriate, district only, delivery address along with any attention lines and provide the card number and expiration date. No deliveries shall be sent to personal residences. All telephone orders must be confirmed with an itemized receipt and invoice that shall be emailed to the Cardholder, Card User, and/or the Liaison. The Card User must turn the itemized receipt to their Liaison with their printed name, signature, and date on the receipt within two (2) days of the purchase. The Liaison must verify that all items have been received and record each transaction on the P-Card Log. The Liaison must use the approved Card Issuers software to verify, allocate, sign off, and approve immediately or no later than ten (10) days upon confirmation of receipt of order from the Cardholder/Card User.

Online Purchases

When ordering online, card users must verify that the merchant will accept a P-Card. The card user must confirm availability of the item(s) and shipment date prior to payment to the merchant. Be sure to give the appropriate, district only, delivery address along with any attention lines. No deliveries shall be sent to personal residences. Accurately notate your card number and expiration date. AT NO TIME SHALL THE CARD INFORMATION BE STORED ONLINE FOR FUTURE PURCHASES. All online orders must be confirmed with an itemized invoice and receipt that shall be emailed to the Cardholder, Card User, and/or the Liaison. The Card User must turn the itemized receipt to their Liaison with their printed name, signature, and date on the receipt within (2) days of purchases. The Liaison must verify that all items have been received and record each transaction on the P-Card Log. The Liaison must use the approved Card Issuers software to verify, allocate, sign off, and approve immediately upon confirmation of receipt of order from the Cardholder/Card User. Faxing orders with the P-Card number is prohibited.

Food Purchases

The district will allow the purchase of food/meals for staff appreciation events once per quarter. The cost must not exceed \$16 per person per event (excluding tax, delivery, and gratuity). Gratuity must not exceed 18%. All other staff appreciation events must be funded personally by the principal, department head, and/or staff. The principal or department head must receive prior written approval from the Office of Business Services with requests exceeding the yearly limit and/or cost per person. If the school has a Hospitality account in Pupil Activities that is funded solely by staff members, this account will not be subject to these limitations. Documentation must be kept showing the funding source of this account.

P-Cards may be used to purchase food for events involving students and/or parents. Events include, but are not limited to, school field trips, pre/post athletic games, parent nights, celebratory/award events. The purchasing thresholds must be followed, unless pupil activity funds are used.

The following rules must be applied for the purchases of food/meals in conjunction with school athletic events, student activities, professional development, and staff/department related events:

- P-Card shall be used by authorized district personnel to purchase food/meals for students and chaperones when on student travel and/or trips.
- P-Card shall not be used for support organizations (PTA, PTO, Booster Club, etc.) sponsored events.
- The cost must not exceed \$16 per person.
- A list of participating employees must be submitted with the receipt.
- Meals purchased in large group meetings and/or events that exceed the small purchase threshold of \$3,500 must follow the purchasing threshold requirements and issue a purchase order.
- Purchase of alcoholic beverages is strictly prohibited.
- An itemized detail receipt/invoice, purpose of meal, and employee listing or student roster must be submitted to the Liaison within two (2) days of the purchase.

Travel

In accordance with the district's travel policy, the P-Card should be used for district related travel expenses. An approved Professional Leave Request form is required prior to all district travel and purchases.

The following are allowable travel expenses:

- Lodging/hotel
- *Transportation

- Airfare
- Bus
- Train
- Rental car
- Gasoline (rental car only)
- Bagging fees
- Shuttle services (including Uber, Lyft, taxi)

*Costs are for economy/basic rates only. Any upgrade must be purchased or reimbursed by the employee. If the economy/basic rate for a plane or train reservation is not available, the district will pay for the next lowest rate available (Board Policy DKC-Expense Authorization/Reimbursement).

Travel Status Emergencies

A district employee should contact the P-Card Administrator and/or Card Holder if, during travel status, the employee encounters a problem with hotel accommodations, itinerary changes, etc., that requires additional charges on the P-Card that was not previously approved.

Acceptable Receipts

Each P-Card transaction must be supported by one or more of the following forms of documentation:

- Itemized cashier receipt
- Supplier invoice
- Credit card slip (with itemized pricing)
- Copy of order form or application (with itemized pricing)
- Packing slips are allowed only when provided with pricing detail or in conjunction with one of the above
- Receipts must be stamped/marked "Price is fair and reasonable."

A lack of detailed receipts for any purchase is a Cardholder violation and the related goods/services may be construed as a personal purchase and subject to investigation. A Lost Receipt Affidavit (**Exhibit VIII**) must be completed as substitute documentation. This form of documentation is meant to be used on an exception basis and not as a regular means of documentation. If a pattern of regular use that exceeds three (3) times per fiscal year, the P-Card account may be suspended.

VIII. ALLOCATION/SIGN OFF

The Liaison shall verify, allocate, and approve P-Card purchases daily by utilizing WORKS. **The Cardholder shall NOT allocate or sign off on his/her card transactions in WORKS.**

The following procedures shall be followed:

- A P-Card Transaction Log must be completed daily for all transactions completed for each Cardholder. The log must be signed by the Cardholder and emailed to the P- Card Administrator no later than the 15th of each month.
- The receipt of goods/services must be documented and included on the P-Card Transaction Log for all orders.
- The Cardholder or Card User must provide all purchase receipts, invoice and credit charge to their Liaison immediately or no later than two (2) days of the transactions posting to WORKS. The Liaison must ensure that the purchase, credit charge receipt(s), and invoice(s) provide itemize descriptions in WORKS for all listed charges. The purpose for the purchase and account number must be indicated on the receipt.
- **All WORKS transactions must be allocated and signed off within ten (10) days of the transaction posting date.** In the event that transactions are not allocated and signed off within ten (10) calendar days, the P-Card will be suspended until the transactions have been allocated and signed off.
- The Liaison must maintain the P-Card Transactions Log, purchase receipts, invoice, credit charges, and any documentation pertinent to any transaction for internal and external audit purposes.
- The Liaison must monitor the Cardholder's account in WORKS frequently and identify any transactions which the Cardholder/Card User has not submitted receipts. The Liaison must immediately notify the Cardholder of any outstanding transactions.
- All services and/or goods must be paid for upon receipt. The P-card cannot be used to pay for services/goods that exceed thirty (30) days from the date of invoice.
- The P-Card cannot be used to pay for invoices from a previous fiscal year.
- Any orders outstanding at the end of each month should be reviewed promptly to ensure accuracy for payment.

IX. ERRORS, DISPUTES, AND CREDITS

Error and Disputes

It is the responsibility of the Cardholder and/or Card User to report any vendor errors or disputes which are not resolved during the time of the purchase to their Liaison immediately. The Liaison must submit the receipt and all supporting documentation to the P-Card Administrator within 2 days of the dispute for resolution. The P-Card Administrator will submit a dispute request to the Bank Issuer. The transactions must be reconciled and a credit will be posted to the account if the vendor is determined negligent by the Bank Issuer.

All disputes must be documented. Excessive disputes (3 or more) with the same merchant must

be reported to the P-Card Administrator and may result in the merchant's inability to participate in the program. The Card Issuer will not process disputes that have not been made in one (1) month.

Returns

Always check orders upon delivery or receipt to ensure what is received is correct and undamaged. If returns need to be made, complete the following steps:

- Contact the merchant to request a return authorization and any special return instructions.
- Keep a copy of the packing slip and make a note on the transaction log of the return details.
- Verify credit is received on the same month or the next month's statement. If credit is not received, contact the merchant to verify credit is in process and notify the P- Card Administrator immediately.
- If disputes are not recorded in a timely manner, the Card Issuer will not accept the dispute and your department will not be credited for the charge.

Credits

Merchants will issue all credits to the individual P-Card account for any item(s) they have agreed to accept for return. The credit must appear on the same or subsequent statement. Under no circumstances shall a Cardholder/Card User accept cash in lieu of a credit to the P-Card.

Lost or Misrouted Items

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

- Contact the merchant and inquire when the item(s) was delivered and to what location.
- If the merchant cannot supply this documentation (proof of delivery), the merchant should make arrangements to deliver the product or issue credit for the transaction.
- If a satisfactory resolution cannot be reached contact the P-Card Administrator.

X. Audit

All P-Card statements and receipts will be audited to ensure that purchases are in compliance with district policies and procedures. Failure to follow the proper procedures could result in revocation of the P-Card or other appropriate disciplinary actions. Use of the P-Card is always subject to review by the Cardholder, P-Card Administrator, and internal or external auditor(s). It is critical that you maintain good records. The P-Card Administrator shall perform random audits. To ensure compliance of the P-Card Policy & Procedures, the following processes must be completed:

- a. The Cardholder and or Liaison must retain all P-Card Logs and receipts for audit by internal

and external auditors. Documents for purchases must be maintained for five (5) years as stated in the district's Business Procedures Manual.

- b. The P-Card Administrator must conduct random audits of all card usage for appropriateness through the Bank Issued reporting systems.
- c. The P-Card Administrator will monitor all cardholders for inactivity and will terminate any account that has been dormant for three (3) months.

It is the responsibility of the Cardholder and the Liaison to report any changes with the card to the P-Card Administrator.

XI. P-CARD VIOLATIONS

THE P-CARD IS FOR OFFICIAL DISTRICT USE ONLY. The P-Card will have the Cardholder's name embossed on it. In accordance with the Card Issuer regulations and district P-Card policy, the P-Card may ONLY be used by the Cardholder, designee (Card User), and/or liaison.

Use of the P-Card for personal use, a purchase of supplies or services which the Cardholder has no authority to make, or use of the P-Card by a person other than the Cardholder, designee (Card User), or liaison are unauthorized and strictly forbidden. **Using the P-card for personal gain represents a serious abuse of the card and could result in termination of employment and/or criminal charges being filed against the individual.**

Any person aware of any misuse of district funds or instances of non-compliance with this policy is encouraged to report their concerns to the P-Card Administrator or Procurement Services.

The district will recoup any expenses deemed personal from the Cardholder by seeking direct reimbursement. If full repayment is not received from the Cardholder, the employee will no longer be eligible for a P-Card. The district retains the right to collect any remaining funds by other means necessary (e.g., a civil suit or criminal prosecution as appropriate under the circumstances). In addition, disciplinary action may be taken according to Board Policies or other appropriate internal policies.

In cases when a Cardholder disagrees with the decision of the P-Card Administrator, the Cardholder may refer the case to the Director of Procurement Services who will have the final decision on these matters. The consequences outlined below are not all inclusive. The severity of the violation may lead to additional consequences. As outlined in Board Policy, cases of fraud can result in immediate dismissal and/or criminal prosecution. Violations are recorded and maintained for each Cardholder throughout their employment with the district.

Misuse

Misuse involves unauthorized activity or purchasing by the Cardholder, Card User, Liaison, or any district employee not permitted to use the card. Misuse covers a wide range of violations, some more severe than others. Misuse can include:

- Poor asset management resulting from buying a larger quantity than necessary.
- Purchasing goods of a higher quality than the district would deem appropriate.

- Buying from unauthorized suppliers.

Violation: Conduct of these actions is prohibited and is a Cardholder violation.

Consequence:

- **First Offense:** The P-Card Administrator issues a warning letter outlining the violation and directing the Cardholder to review the P-Card Policy and Procedures Manual.
- **Second offense:** The P-Card Administrator will suspend the card for a period of time as determined by Procurement Services. Mandatory P-Card training will be required.
- **Third Offense:** The Cardholder may be required to surrender the card.

Personal Purchase

A personal purchase is any transaction that is not for use and ownership by the district regardless of the intent to reimburse, or a purchase that lacks an appropriate district purpose. This includes using your P-Card as the method of payment on a non-business related purchase even if the card is never actually charged. Cardholders shall not hold funds intended for district use for a non-district related activity.

Violation: It is a Cardholder violation to make any personal purchase or settle any personal debt with the P-Card or any other purchasing method. It is against the law to use state or federal funds to purchase items for personal use. Even though the Cardholder may repay or intend to repay the district for the amount of the purchase, it may still be considered a fraudulent act.

Consequence:

- The Cardholder shall seek a credit from the merchant for the total of the improper purchase(s) and have the amounts charged to his/her personal credit card.
- If the credit is not obtained from the merchant, the Cardholder must reimburse the district immediately via check or cash.
- The P-Card Administrator will notify the Cardholder in the form of an unauthorized procurement (ratification) of the violation and the action needed to reimburse the district.
- If the violation is for repeated personal purchases, the P-Card Administrator will request the surrender of card. A P-Card will not be reinstated when surrendered for repeated personal purchases and the employee will no longer be eligible for a P-Card.

Lack of Documentation

For all P-Card transactions, the official record of the transaction is to be uploaded and maintained in the Bank of America WORKS system. To accomplish this, all valid receipts, along with required approvals and a description of business purpose supporting each purchase, shall be imaged and uploaded to WORKS. It is important to stress that the Cardholder is responsible for assuring that proper documentation is submitted as soon as possible, but no later than two (2) calendar days from the date of purchase. Every effort shall be made to upload supporting documentation to WORKS before the transactions are swept/reconciled by the Accountant.

Collectively, the documentation MUST contain the following information:

- Description of what was purchased
- Date of purchase
- Merchant name and location
- Quantity and cost of each item purchased
- Total cost of purchase
- District address listed, if delivered
- Any approval required by the Procurement, Business, or P-Card Program manuals, including approval for temporary changes to allowable purchases or dollar limits.

Violation: Lack of adequate supporting documentation for any purchase is considered a Cardholder violation.

Remedy:

- The Cardholder shall attempt to obtain a duplicate receipt from the merchant.
- In the rare case that a duplicate receipt is not available, the Cardholder should complete a Lost Receipt Form. This form is meant to be used on an exception basis and not as a regular means of documentation. Patterns exceeding three (3) times per fiscal year will be construed as a lack of adequate documentation violation.
- In cases where a Cardholder does not provide a receipt or Lost Receipt Form, the P-Card Administrator will issue a Letter of Violation via email to the Cardholder outlining the violation. The card may be suspended until receipts are received.

If receipts are not received before the transaction sweep date, the purchase may be considered a personal purchase and the Cardholder may be responsible for reimbursing the District or the

card may be suspended.

Transfer or Termination of Cardholder

Use of the P-Card after the Cardholder has transferred (to another department, role, etc.) or has terminated their employment from the district is a Cardholder violation. If a Cardholder has terminated/separated employment from the district and continues to use the P-Card it is a Cardholder violation. Continued use of a P-Card after an authorized person has requested the card's surrender is also a Cardholder violation.

Violation: Use or refusal to surrender a P-Card upon termination, separation, or request of the P-Card Administrator is also a Cardholder violation.

Consequence: If the Cardholder allows an unauthorized person to use their P-Card the following actions will be taken:

- If the Cardholder has transferred to a position and failed to notify the P-Card Administrator, the P-Card Administrator will issue a letter outlining the action. The Cardholder may be required to reimburse the District. The P-Card Administrator shall terminate the Cardholder account
- If the Cardholder is no longer employed with the district and the P-Card has not already been cancelled, the P-Card will be immediately cancelled. Charges made subsequent to the termination/separation must be reviewed for appropriateness. Any inappropriate purchases may be construed as a criminal act and subject the former Cardholder to prosecution.

Prohibited Purchases

All prohibited purchases listed in section V. Policies will be considered a violation.

Violation: Purchase of any item or services prohibited is a Cardholder violation.

Consequence:

- **First Offense:** The P-Card Administrator issues a warning letter outlining the violation and directing the Cardholder to review the P-Card Policy and Procedures Manual.
- **Second offense:** The P-Card Administrator will suspend the card for a period of time as determined by Procurement Services. Mandatory P-Card training will be required.
- **Third Offense:** The Cardholder may be required to surrender the card.

Splitting Transactions

Split transactions are defined as single items costing more than the Cardholder's single transaction limit (\$3,500) which are split among multiple transactions to circumvent the purchasing threshold for competition.

Violation: Any transaction which is split over more than one transaction which, in total, exceeds the Cardholder's single transaction limit of \$3,500 and the purchasing threshold for competition is a Cardholder violation.

Consequence:

- **First Offense:** The P-Card Administrator issues a warning letter outlining the violation and directing the Cardholder to review the P-Card Policy and Procedures Manual.
- **Second offense:** The P-Card Administrator will suspend the card for a period of time as determined by Procurement Services. Mandatory P-Card training will be required.
- **Third Offense:** The Cardholder may be required to surrender the card.

Improper Allocation of Merchant Credit

A merchant credit must be refunded to the original credit card for any items that have been returned. A Cardholder must not accept cash or a store credit in lieu of the refund to their P-Card.

Violation: Allowing any method of reimbursement other than a credit to the original P-Card by the merchant for item(s) returned for any reason is considered a Cardholder violation.

Consequence:

- **First Offense:** The P-Card Administrator issues a warning letter outlining the violation and directing the Cardholder to review the P-Card Policy and Procedures Manual.
- **Second offense:** The P-Card Administrator will suspend the card for a period of time as determined by Procurement Services. Mandatory P-Card training will be required.
- **Third Offense:** The Cardholder may be required to surrender the card.

Fraudulent Use

The act of fraud is an "intentional perversion of the truth" and "an act of deceiving"; in short, intentional deceit. There is full knowledge on the part of the Cardholder, Card User, or Liaison in which the individual is being dishonest, in an attempt to deceive or trick for personal gain. Fraud is also considered when purchasing from merchants that create conflict of interest (i.e. companies owned by any district employee, family member, or for personal gain, etc.). Fraud is purposeful and criminal.

Examples of fraud

A Cardholder/Card User purchases a laptop using the P-Card for a friend or family with a kickback given in return for their services.

A Cardholder/Card User purchases a 2 ton HVAC unit using the P-Card and installs it at personal residence as part of their side business.

Violation: Any fraudulent purchase made with the P-Card is considered a Cardholder violation.

Consequence:

- For the offense, the P-Card Administrator will issue a letter outlining the action. The Cardholder shall be required to reimburse the District. The P-Card Administrator shall terminate the Cardholder account. Formal disciplinary action up to termination will be taken at the discretion of the Superintendent or his/her designee and Chief of Human Resources.

Fraud by Cyber Hacking

Fraud involves unauthorized use of the P-Card number, typically by no fault of the Card User or Merchant, by cyber hacking. Cyber hacking usually occurs through online retailers. This can include stolen or counterfeit cards or identity theft. The Cardholder and/or their Liaison must contact the Card Issuer immediately upon identifying any potential fraudulent charges. The Card Issuer will close the existing account and a new card will be issued to the cardholder. The Liaison must contact the P-Card Administrator and notify him/her of each occurrence. The new card must be mailed to Procurement Services and the P-Card Administrator will contact the Cardholder for pick up upon arrival. The Card Issuer shall investigate all fraudulent claims and provide results of their investigation to the P-Card Administrator. If a Card Issuer contacts the Cardholder by phone and/or email for potential fraudulent activities, the Cardholder and/or their Liaison must contact the Card Issuer immediately upon notification. The Cardholder or their Liaison must contact the P-Card Administrator and provide a status for fraudulent notification.

SPACE INTENTIONALLY LEFT BLANK

XII. Glossary of Terms

Accountant: A designated employee of the Office of Business Services to monitor reconciliation procedures by Liaison, identify use tax owed, batch and upload transactions into accounting software, and ensure timely payment of the monthly P-Card billing statement.

Allocation/Sign Off: Matching a receipt received from a merchant against the relevant invoice issued as annotated as received in WORKS. The account number and statement must be noted in WORKS before the sign off is complete.

Billing Cycle: Refers to the number of days between the last statement date and the current statement date. The billing cycle runs from the 26th to the 25th of each month.

Cardholder: An employee of the district who has been approved to procure small dollar goods and services not exceeding \$3,500 on behalf of the district.

Card User: An employee of the district who has received authorization from the Cardholder to procure goods and or services using the P-Card on their behalf.

Credit Card Receipt/slip: A hard copy document that records when a transaction took place at the point of sale. The receipt contains a description of the transaction, which usually includes the date, the merchant name/location, a portion of the primary account number, the amount and the reference number. Acceptable receipts include:

- Itemized cashier receipt
- Supplier invoice
- Credit card slip (with itemized pricing)
- Copy of order form or application (with itemized pricing)
- Packing slips are allowed only when provided with pricing detail or in conjunction with one of the above

Merchant: A person or company involved in wholesale trade, especially one dealing with foreign countries or supplying merchandise to a particular trade.

Merchant Category Code (MCC): A four-digit number listed in ISO 18245 for retail financial services. An MCC is used to classify a business by the types of goods or services it provides.

Personal Purchases: A personal purchase is any purchase that is not for use and ownership by the district regardless of the intent to reimburse, or a purchase that lacks an appropriate district purpose. This includes using your P-Card as the method of payment on a non-business related purchase even if the card is never actually charged. Cardholders shall not hold funds intended for district use for a non-district related activity.

P-Card Administrator: Serves as the program administrator and as the primary liaison between the Card Issuer and the district.

P-Card Transaction Log: A document that logs each transaction made utilizing the P-Card. The document contains the date of the transaction, name of the merchant, cost of the transaction and Card User. This document is required for each cardholder.

Works System: The Card Issuer payment manager software system utilized by the District's P-Card Program participants to track daily usage, monthly reporting, and payments.

Credit Limit (CL): The allotted monthly amount for each cycle approved by the Office of Business Services for each cardholder's account.

Single Transaction Limit (STL): The STL is the mandatory spending limit of \$2,500 for "no competition" purchases.

XIII. EXHIBITS & ATTACHMENTS

Exhibits

- I. Request for P-Card Form
- II. Certificate of Acceptance Form
- III. Capital P-Card Purchase Form
- IV. Request for P-Card Deviation Form
- V. P-Card Users Authorization Form
- VI. P-Card Transactions Log
- VII. P-Card Maintenance Request
- VIII. Lost Receipt Affidavit

Attachments

- A. Blocked MCC List
- B. WORKS Receipt Imaging Quick Guide



REQUEST FOR P-Card

Procurement Services
Lee Faris, Procurement Specialist
wfaris@rhmail.org

THIS FORM SHOULD BE SENT TO BUSINESS SERVICES WHEN COMPLETED

Date: _____

School or Department: _____

Cardholder (Legal Name)/Position: _____

Reconciler/Liaison: _____

Mandatory Training Required for All New Users Training Date: _____

Requested Credit Limit: \$ _____

Intended Use:

Principal/Department Head Approval: _____

*****COMPLETED BY BUSINESS SERVICES*****

Approved or Denied (Circle One)

Date: _____

Terri Smith
Chief of Business Services

Approved Credit Limit: \$ _____

*****COMPLETED BY PROCUREMENT SERVICES*****

Date Ordered: _____

Date Card Received: _____

Processor Signature



PURCHASING CARD CERTIFICATE OF ACCEPTANCE

All employees issued a Purchasing Card and their liaisons shall complete the following certificate: I, _____ certify that I have read and understand Rock Hill Schools Policy and Procedures for Purchasing Cards. I understand that failure to conform to these policies and procedures may subject me to disciplinary action, removal of my Purchasing Card, and up to termination for misappropriation of funds. I understand that my use of Rock Hill Schools Purchasing Card has been approved by Procurement Services and Business Services and it may be revoked when procedures are not followed.

Signature

School/Department

A reconciler/liasion must be assigned by the Principal/Department Head for the account. This individual will be responsible for daily monitoring, reconciling, record retention, and disputes with the vendor and/or BOA not resolved by the Cardholder.

Print Liaison Name/Title

Signature

THIS CARD IS A:

Yearly Update (No new card received)

Replacement

New Card

Procurement Services

Date

EXHIBIT III

Request Form – Capital P-Card Purchase

Business Services

Beth Lifsey, Budget Manager
803-981-1063
blifsey@rhmail.org

Rock Hill School District Three
386 East Black Street
Rock Hill, SC 29730

****You are not authorized to make this purchase unless this form has been signed and returned to you by Business Services****

Date: _____

Department: _____

Vendor Name: _____

Description of purchase:

Reason for P-Card use: _____

Estimated Total Cost: _____

Capital Budget Code: _____

Requested by: _____

Approval of Request to use P-Card for Purchase with Capital Funding:

Signature of Project Manager: _____ Date: _____

Signature of Fund Manager: _____

Date: _____

Approved By: _____ Date: _____

***The ORIGINAL receipt MUST be turned in to Business Services after the purchase is made. Purchase CANNOT be made prior to approval by Business Services. This process is to be used only when necessary.**

EXHIBIT IV



REQUEST FOR P-CARD DEVIATION

Procurement Services
Lee Faris, Procurement Specialist
T: (803) 981-1162 wfaris@rhmail.org

Request Date: _____

School or Department: _____

Requestor: _____ Last 4-Digits _____
(Name as it should appear on Card)

Current Monthly Limit: _____

Increase Start Date: _____ End Date: _____

Credit Limit Increase Amount:

\$2,500 _____ \$5,000 _____ \$10,000 _____ Other \$ _____

Explanation for increased limit:

Please attach all supporting information for any STL limit increase. (i.e. quotes, sole source, contract number).

Single Transaction Limit (STL) Increase Amount:

\$5,000 _____ \$10,000 _____ Other \$ _____

Start Date: _____ End Date: _____

Explanation for increased single transaction limit:

*****COMPLETED BY PROCUREMENT SERVICES*****

Date Received: _____

Processor Signature

Date Processed

EXHIBIT V



**ROCK HILL SCHOOLS
P-CARD USER AUTHORIZATION FORM**

LOCATION: _____

_____ IS REQUESTING AUTHORIZATION FOR THE USE OF
(Name and Position)

CARD HOLDER NAME: _____ CARD # (LAST 4 DIGITS) _____.

FOR THE PURPOSE OF _____

DATE RECEIVED: _____ RETURNED: _____

VENDOR NAME(S):	FOR AN AMOUNT UP TO:

AUTHORIZED: __Yes __No

CARDHOLDER: _____ SIGN: _____

DATE: _____

Revised August 2020

EXHIBIT VII



P-Card Maintenance Request

Request Type (circle one)

- Cardholder Update *(Name change or school/department change)*
- Card Replacement *(Lost or Stolen)*
- Close Account *(Termination of employment)*

Card Replacement/Cardholder Update

Reason for replacement/update _____

Cardholder Name: _____

Location: _____ Last 4 digits of card: _____

New Location (cardholder transferring location only) _____

Is the card lost or stolen? Yes No if yes have recent charges been verified in WORKS Yes No

(If fraud is detected the cardholder must first contact BOA immediately at 1-866-500-8262 and notify the P-Card Administrator)

Cardholder _____ Last 4 digits of card _____ Date: _____

Close Account

Cardholder Name: _____ Closing Date: _____

Has the card been returned to Procurement Services? Yes No

For Use by Procurement Services

New Card Issued Yes No

Approved by: _____ Date: _____

EXHIBIT VIII

**ROCK HILL SCHOOLS
LOST-DOCUMENT RECEIPT FORM**

Name _____ Title: _____

Department: _____

Please complete this form only if the actual receipt or invoice is unavailable and you have made a good faith effort to obtain a duplicate receipt from the vendor.

Business (merchant) Name	Date of Purchase	Expense Description	Amount
		1.	
		2.	
		3.	
		4.	
		Total	\$

Please state where to record this expense:

_____ Account Number

What was the business purpose of this purchase? _____

Why is the original receipt or invoice missing? _____

Explain what effort was made to get a duplicate receipt: _____

I understand that a Lost-Document Receipt Form may not be completed on a routine basis and that overuse may revoke the privilege of providing a Lost-Document Receipt Form in lieu of an original receipt.

By signing below, I hereby certify that the amount shown is the amount actually paid, that I have not and will not submit a duplicate claim, and that I have not and will not seek a claim for these expenses from any other source. I understand that lack of compliance with the above will be managed in accordance with the district personnel policies.

Sign and Print Name	Date
----------------------------	-------------

Approved by (Cardholder or Card User Supervisor) Title

P- Card Administrator Acknowledgement (Sign/Print) Date

Attachment A: MCC Codes

These codes will be added at a later date.