



# PURCHASING OPERATING PROCEDURES

## SECTION V- D – Procurement Card Purchases

**TITLE:** Guidelines for the use and procedures for using procurement cards for the purchase of goods and services.

**1. Purpose:**

In accordance with DPS Board policy DJC for small dollar procurements, the District does not maintain petty cash funds. Schools are encouraged to use procurement cards for purchases under \$2,500.00.

**2. Definition:**

**Purchasing Card**

A Visa bank card issued to individual users that can be used for retail purchases as well as mail, telephone, fax or Internet orders. The purchasing card has inherent limitations within established dollar limits and transaction types.

**Cardholder**

Person named on the card that is authorized to make purchases.

**Control Statement**

Monthly statement from UMB identifying transactions for the month for the entire department/school. This statement includes all sub account activity for the school/department. This statement is the one submitted to General Accounting, with the expense report sheet and appropriate documentation for each transaction on the statement.

**Sub-Statement**

Monthly statement from UMB identifying transactions for a specific cardholder. This statement should be kept by the cardholder for reference.

**3. Policy:**

According to DPS Board policy #DJC, small dollar transactions shall be limited to either imprest checks or the purchasing card. Purchasing Cards shall be used within the guidelines specified in the Purchasing Card Program handbook. The program is designed to provide schools and departments with the ability to make purchases under \$2,500.00 that cannot be ordered on a Contract Release Request, a Purchase Order, with an imprest (petty cash) check or from the Warehouse.

**4. Procedures:**

<b><u>PROCEDURE</u></b>	<b><u>BY WHOM</u></b>
Cardholders are subject to monthly dollar limits and per transaction limits based on authorization strategies.	All Cardholders
Each transaction must be documented by completing an Expense Report Sheet and providing valid source documentation (invoice, receipt, etc.) from the vendor.	All Cardholders
Prohibited Transactions include: personal purchases, bus excursions, cell phone service, computers, independent contractors, gift cards/certificates, gifts for employees, software, textbooks, alcohol and tobacco products.	All Cardholders
Merchant Category Code (MCC) restrictions include: banks, ATM's, liquor stores, dating and escort services, counseling, massage parlors, health and beauty spas, computer dating, automotive and transportation related merchants, bars, taverns, cocktail lounges, nightclubs.	All Cardholders

Purchasing card violations will result in suspension, and possible revocation, of card privileges based on an accumulation of points assessed to the individual cardholder depending on the number and severity of the violations. These point violations are listed in the purchasing card program handbook.	All Cardholders
Any discrepancy on the monthly statement must be resolved by contacting the vendor or the bank.	All Cardholders
Transactions that need to be disputed must be filed with UMB Bank in writing within 60 days of the end of the billing cycle in which the transaction first appeared.	All Cardholders
Lost or stolen cards are to be immediately reported by phone to UMB Bank Customer Service and then reported to the Purchasing Department.	All Cardholders
Monthly statements must be reconciled and the Control Statement submitted to General Accounting for payment within 7 working days from the closing date on the statement.	All Cardholders