



Howard
County



**Public
School
System**

Purchasing Card Training

January 2015

Overview

This is the Howard County Public School System's Training Program.

The purpose of the training is to outline the controls you must follow for the proper use of the purchasing credit card (p-card).



Overview (continued)

It covers usage compliance issues, documentation of transactions, review and approval of statements and consequences for abuse.



Cardholder Responsibilities

- Cardholders are responsible for:
 - Comply with Board of Education policies.
 - Completing all required applications and approvals for the P-Card.
 - Reading this material and successfully completing the test.
 - Using appropriate care and custody of the card.
 - Reporting lost or stolen cards.
 - Making purchases with the appropriate authorization.
 - Appropriate purchases for the fund account attached to the card, e.g. textbook account for the purchase of textbooks.
 - Limiting purchases to your budget allocation.

Cardholder Responsibilities (continued)

- Monitoring your budgeted account balances.
 - Not paying State of Maryland sales tax.
 - Obtaining the appropriate signatures/approvals on the P-Card log.
 - Submitting the transaction log, statements and other documentation by the 15th of the month. Failure to submit the log will result in notification to your Principal/Account Manager and the suspension of the card.
 - Retain copies of documents as required.
- Failure to follow these responsibilities will result in suspension or loss of your P-Card privileges.

Approving Official Responsibilities

- Approving Officials – Principal or Account Manager
 - Reviewing your cardholder's monthly P-Card transaction logs that include the bank statement and other documentation.
 - Signing off on the P-Card transaction log(s) for each cardholder in his/her school/office/department.
 - Informing your Agency Program Coordinator (Purchasing Office) of cardholder retirements, when an employee changes location or job status, terminations, and extended leaves of absence.

Note: Administrative Directors do not have to review each transaction of the Principal because the Principal is considered the Approving Official for a school. Administrative Directors may be notified by the Agency Program Coordinator to review any activity of their Principals.



Purchasing Cards.....

Purposes:

- Make low dollar purchases for the school system
- Procure goods quickly
- Reduce paperwork



Purchasing Cards.....

Goals for Training:

- To understand the importance of safeguarding the card
- To not pay Maryland State Sales Taxes – HCPSS is a tax exempt organization – DO NOT ALLOW MD STATE SALES TAXES TO BE CHARGED
- Familiarize cardholders with sanctions for card misuse and/or not complying with this manual and policy
- Realize that violations may be included as part of staff evaluation

How do I get a Card?

Complete a Request for Purchasing Card by:

- Visiting Purchasing Office website at <http://purchasing.hcpss.org/pcard> or
- Your Principal or Account Manager must sign the request and forward to the Purchasing Office
- Allow up to two weeks for processing
- You will be notified to pick up your card in person at the Purchasing Office after completion of the training and subject to the successful completion of the test

Definitions

- *Agency Program Coordinator:*
Purchasing Office
- *Approving Officials:*
Account Manager/Principal
- *Cardholders:*
School System Personnel
- *Card Provider:*
US Bank 800 344-5696

Card Activation:

- Call the “800” number (included with card)
- You must be able to state.....
 - 1) Your card acct number
 - 2) Your employee # (for ID purposes only)
 - 3) The zip code of your school or office
 - 4) The telephone number of your school or office

Card Facts

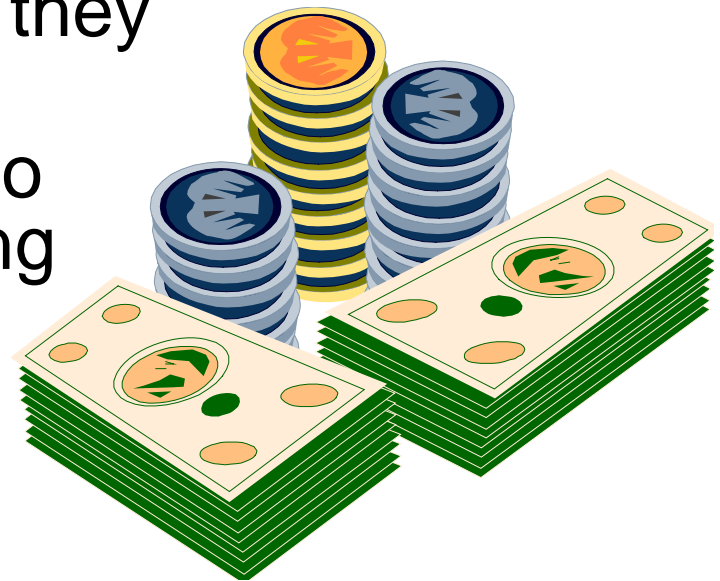
- Each card is attached to one HCPSS account number
- Cardholders **may** have multiple cards - each with their respective account number

Card Facts cont.

- **Only the imprinted, named cardholder is authorized to use the card – the card may not be loaned or used by other school staff. Doing so will be grounds for cancelling the card**
- The Purchasing Card (P-Card) is just one method or tool for purchasing appropriate items and not a requirement to perform your work

Card Facts cont.

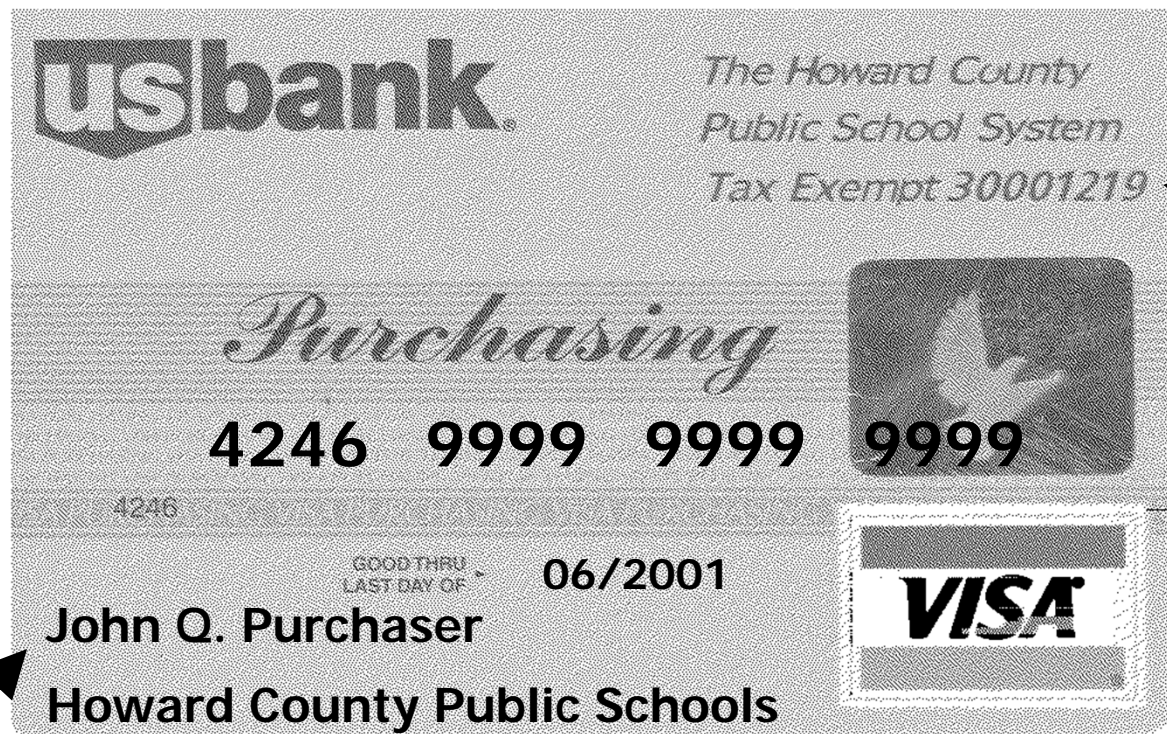
- The P-Card does not change the responsibility of the cardholder to seek the appropriate approvals
- For schools, Principals should be given notice prior to the purchasing of any electronic equipment or other items as they determine
- P-Cards are not to be used to purchase computers including ipads, printers or any other approved IT equipment.



Card Uniqueness:

- HCPSS Maryland State Sales Tax Exempt Number is printed on the card
- HCPSS Employee's Name and Account Name
- The next slide is what the card looks like:

The Card!



**Tax Exempt
Number**

Authorized User/Location



Dollar Limits:

- Dollar limits are enforced at the Point of Sale
- There are two transaction limits:
 - A monthly transaction limit
 - A single transaction limit
- Transaction limits are determined by:
 - Your Principal or Account Manager
 - Only represents an approval limit and **NOT** actual IFAS budgeted funds available
 - Can be adjusted upon review of individual circumstances by Principal/Account Manager

Dollar Limits:

Cont.

- Please Note:

The Agency Program Coordinator and US Bank do not track your IFAS fund balances. You must track monthly purchases to avoid the embarrassment of a declined transaction due to exceeding authorized limits.

Where to Use the Card?

- Any vendor accepting VISA
- Purchases may be made by:
 - Mail Order
 - Fax (with caution)
 - By telephone, Catalog, or Internet (with caution)
 - In person






Types of Purchases

ACCEPTABLE PURCHASES INCLUDE:

- General Supplies
- Instructional Supplies & Materials
- Books
- Job Materials, Hardware
- Small items: AV equipment or IT supply items from the approved bid lists
- Food compliant with the Wellness Policy

Types of Purchases:

Unacceptable Purchases:

-  Cash Advances, Gasoline
-  Travel (hotels, airlines, car rental)
-  Gift Cards for employees
-  Florists, alcohol, other personalized items
-  Computer equipment, printers and any item requiring an fixed asset tag

Using the card:

- Inform vendors prior to purchase that order/purchase is tax exempt (*tax exempt number is printed on the card*)
- Record your transactions on the Purchasing Card Transaction Log
- The following is a sample of the log

Audited by: _____
 Date: ____/____/____

HOWARD COUNTY PUBLIC SCHOOL SYSTEM Purchasing Card Transaction Log

Period End: ____/____/____

Card Holder: _____ Card Number (last four only): ____/____/____/____

School/Division: _____

Account Manager's Name: _____

#	Purchase Date	Delivery Date	Purchase Amount	Merchant Name	Description
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
Log Total*:				* If totals do not match, a discrepancy form must be completed and enclosed.	
Statement Total*:					

- 1) **ENCLOSE A COPY OF THE MONTHLY STATEMENT AND THE ORIGINAL RECEIPTS IN ENVELOPE. COPIES OF THE STATEMENT AND RECEIPTS MUST BE RETAINED BY THE CARDHOLDER FOR THREE (3) YEARS.**
- 2) **SEND ENVELOPE TO THE HOWARD COUNTY PUBLIC SCHOOL SYSTEM PURCHASING OFFICE BY 15TH OF EACH MONTH FOR THE PRIOR MONTH'S STATEMENT DATE.**

Card Holder's Signature: _____ Date: ____/____/____

Account Manager's Signature: _____ Date: ____/____/____

Using the card:

cont.



Insert the original itemized receipt/invoice or screen print of the transaction if an on-line order in the log envelope. The receipt/invoice must include the

- 1.) vendor name,
- 2.) item(s) purchased,
- 3.) cost, and
- 4.) shipping if applicable.

See the following examples for an acceptable and unacceptable receipt.

5/31/06
04:05 PM

Music & Arts Center, Inc.
4626 Wedgewood Blvd
Frederick, MD 21703
301-620-4040

INVOICE

Invoice: 9146915
Page: 1

S.O.# Shp# Inv. Date Rep Order Customer P.O.# Order type
9146915 1 5/31/06 1114 05/12/06 051 MUSIC DIRECT_ROAD_TEST

Bill to: 122323
HAMMOND ELEMENTARY SCHOOL

Ship to: 122323 Lot#:
HAMMOND ELEMENTARY SCHOOL

8110 ALADDIN DR
LAUREL MD 20723-1166

(301) 725-1923

Ship via: TRUCK
Instruct:
Descript:

Ship from: 1 Salesmen: MP
Terms: Net 30 days

Qty	UOM	Item#	Description	Regular Price	Discount Price	Total
1	EACH	0031165	ACCENT ON ACHIEVEMENT 1	7.950	6.390	6.39
			OBOE / /ALFRED	EACH	EACH	
1	EACH	0031169	ACCENT ON ACHIEVEMENT 1	7.950	6.380	6.38
			BASS CLA/ /ALFRED	EACH	EACH	
1	EACH	21542	B FLAT BLUES	30.000	24.000	24.00
			/ /XXX	EACH	EACH	
1	EACH	21542	MEDIEVAL DANCE	30.000	24.000	24.00
			/ /XXX	EACH	EACH	
1	EACH	21542	LATIN SPIRIT	30.000	24.000	24.00
			/ /XXX	EACH	EACH	
1	EACH	21542	PREMIER FANFARE	30.000	24.000	24.00
			/ /XXX	EACH	EACH	
1	EACH	21542	RIFF RAFF	30.000	24.000	24.00
			/ /XXX	EACH	EACH	

Total qty: 7 / EACH

Net Sales
Sales Tax for MD
Tax Exempt #: SCHOOL

132.77
.00

Total Invoice

132.77

An example of an acceptable receipt

5724131

05
6761 08/07

QUAN.	CLASS	DESCRIPTION	PRICE	AMOUNT
		POA		250.00
		Acct # 3300 b.		
DATE		AUTHORIZATION		SUB
5-19-06		081587		TOTAL
REFERENCE NO.		REG/DEPT.		TAX
FOLD/CHECK NO.		SERVER		TIPS
		CLERK		MISC.
SALES SLIP				TOTAL 250.00

CUSTOMER COPY

PURCHASER SIGN HERE

X

Cardholder acknowledges receipt of goods and/or services in the amount of the Total shown hereon and agrees to perform the obligations set forth in the Cardholder's agreement with the issuer.

IMPORTANT: RETAIN THIS COPY FOR YOUR RECORDS

An example of an unacceptable receipt

Using the card:

cont.

Purchases for conferences/meetings are allowed if approved.

Note: Provide an agenda, a list of attendees and meeting purpose with your P-Card statement.

Gift Cards can not be purchased using an HCPSS p-card.

Using the card:

cont.

- Purchases for some Information Technology (IT) equipment/items are allowed such as keyboards, cables or mice.
- Computers, printers, ipads, and mini-ipads are not allowed.
- Purchases made for a particular school, office or department are the property of the school system and are to remain at the location of the original purchase.

US Bank ...

- Sends a statement to each cardholder *only if the card has been used*
- Statement itemizes purchases showing a total vendor transaction amount
- The statement total will be “zero”
- The IFAS account attached to the card is printed on your statement. Please look for printed notices, warnings or alerts specific to HCPSS on your statement
- Note: the following is an example of a statement:



U.S. BANCORP SERVICE CENTER
P. O. Box 6343
Fargo, ND 58125-6343

28130R32

Type of account charging

CECE CLEMENT
PURCHASING - GENERAL
10910 STATE ROUTE 108
010355-3500-00000
ELLICOTT CITY MD 21042-6106

HOWARD COUNTY PUBLIC SCHOOLS

MEMO STATEMENT

ACCOUNT NUMBER -0035
STATEMENT DATE 02-27-06
TOTAL ACTIVITY \$ 50.00
AMOUNT DUE \$0.00

DO NOT REMIT

Blank out account
number

0035 000000000

NEW ACCOUNT ACTIVITY					
POST DATE	TRAN DATE	TRANSACTION DESCRIPTION	REFERENCE NUMBER	MCC	AMOUNT
01-26	01-24	NSSEA 301-4950241 MD PUR ID: VDVE0FE2E693 TAX: 0.00	24336916025001814377702	8699	50.00

Specific IFAS account

Default Accounting Code: 1000010205-3299000		
CUSTOMER SERVICE CALL 1-800-344-5696	ACCOUNT NUMBER 0035	ACCOUNT SUMMARY
	STATEMENT DATE 02-27-06	DISPUTED AMOUNT \$.00
SEND BILLING INQUIRIES TO: C/O U.S. BANCORP SERVICE CENTER, INC U.S. BANK NATIONAL ASSOCIATION ND P.O. BOX 6344 FARGO, ND 58125-6344	AMOUNT DUE \$ 0.00 DO NOT REMIT	
	PREVIOUS BALANCE \$0.00	
	PURCHASES & OTHER CHARGES \$50.00	
	CASH ADVANCES \$0.00	
	CASH ADVANCE FEE \$0.00	
		CREDITS \$0.00
		TOTAL ACTIVITY \$50.00

Cardholders:

- Blackout acct # (all but last 4 #'s) before making copies of statement – note that it is located to two different places
- Review your monthly statements for accuracy, unauthorized and/or fraudulent purchases
- Missing original receipt – submit “Replacement Receipt Form” with specific purchase details with Acct. Mgr/Principal’s signature – continued missing receipts will lead to suspension of the card
- Include a personal check or cash for any sales tax that was paid
- Include a school check for purchases that should have been made with school funds rather than MOI funds (e.g. food, staff appreciation items, etc.)

Cardholders:

cont.

- Replacement Receipt Forms are only to be used after all efforts to obtain a duplicate receipt have been exhausted
- This form is not to be used as an excuse for not following the procedures and your diligence to provide the appropriate documentation
- Submission of your Purchasing Card Transaction Log with Replacement Receipt Forms used for **three consecutive** statement cycles will be cause for suspension of your purchasing card privileges without notice

Cardholders:

cont.

- After the cardholder signs, the Principal/Account Manager MUST sign the Purchasing Card Transaction Log.
- Submit the US Bank statement, original ***itemized*** receipts, any *credit receipts*, and Purchasing Log to the Purchasing Office by 15th of each month.
- FAILURE TO TIMELY SUBMIT THE TRANSACTION LOG MAY LEAD TO SUSPENSION OF THE CARD WITHOUT NOTICE TO THE CARDHOLDER.

Record Retention at School/Office

- Cardholders must keep a copy of card statements and receipts for three years at the school or office
- Random audits will be conducted
- Administrative Offices are to keep a signed/approved copy of the Transaction Log on file for a period of three years.





Disputed Charges:

- Work with Merchant to correct problem/dispute
- If unresolved, contact US Bank to file a timely disputed charge claim and inform the Purchasing Office
- Transaction(s) will be credited until dispute is resolved
- If all fails, contact the Purchasing Office for additional assistance

Attention:



If the cardholder is unable to complete the end of month duties, the Approving Official is responsible for the completion of the cardholder's transactions.

WARNING.....

Schools, offices or cardholders who do not follow all the appropriate procedures will **FORFEIT** the privilege of having a Purchasing Card.



Lost or Stolen cards

- **Immediately** report the problem to US Bank at (1-800-344-5696). Access is available 24 hours a day
- Notify the Purchasing Office and the Principal/Account Manager within 1 workday

Replacement Cards ...

- Replacement cards are issued to the individual from the Purchasing Office
- If lost/stolen card is found, cut in half and send to the Purchasing Office immediately

Ethics:



- HCPSS employees hold a public trust
- Cardholders are required to sign a Delegation of Authority Form that outlines your understanding of being assigned a card
- Purchases must be made within established guidelines & policies
- False statements on card records or misuse of card(s) will lead to appropriate administrative sanctions.

Winding up!

- Use of Purchasing Card does not affect cardholder's personal credit report
- Purchasing Card charges will appear on the IFAS financial report as “P-Card, Month, Year” in the description field, and the vendor will be US Bank

Please remember to:

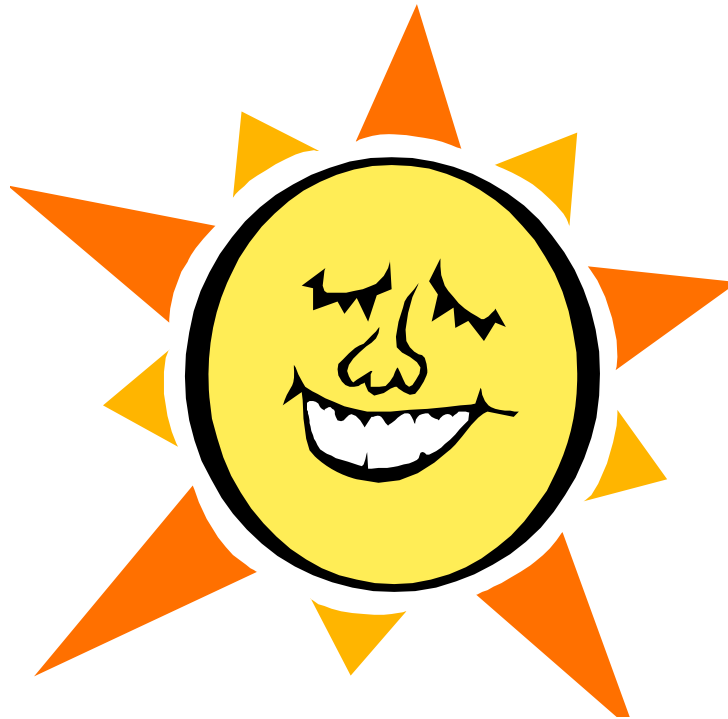
- Read training material
- Visit the Purchasing Website for Purchasing Card Program, forms, updates
- You will be notified to come to the Purchasing Office with proof of ID to pick up your card
- Protect the card from abuse, theft or loss
- DO NOT PAY MARYLAND STATE SALES TAXES

Phone Extensions

Don't Panic, Help is only a phone call away!



- **Eileen Arnold, x6725**
Purchasing Technician
- **Cherylene Beck, x6714**
Purchasing Clerk
- **Douglas Pindell, x6722**
Director of Purchasing



We hope you find this on-line training to be useful. Please do not hesitate to contact the Purchasing Office with any questions you may have. We welcome input and suggestions for improvement of the P-Card program.