

REGULATION

Adopted: 2018-07-16

PURCHASING CARDS

The purchasing card program was implemented in order to provide staff with flexibility in purchasing small dollar items, and to reduce the time and paperwork required to process these invoices.

Credit cards will be issued to staff within a Department/School as approved by their Supervisor/Principal. Each individual must sign a Cardholder Acknowledgment agreement form outlining the Policies and Procedures surrounding the use of their credit card. Cards cannot be used by anyone other than the named cardholder. Cards are never to be used for personal purchases. Improper use of the card will result in immediate card cancellation.

The Supervisor/Principal is responsible and held accountable for the card's use and security. The card must be in a secure location at all times.

Once a card has been issued to you, it is for use at your current location only. If you leave your current position you must turn your card over to the District Travel Card Administrator. The card will either be cancelled or moved with you to your new location/position if it is determined that you will require one in your new job.

CONDITIONS OF USE

The purchasing card may be used in the following instances:

- Purchase of low value tangible goods - i.e. classroom or office supplies
- Payment of magazine subscriptions (**not** software licenses, subscriptions, or apps)

The card **MUST NOT** be used in the following instances:

- Cash advances
- Personal use:
 - including accumulating privileges such as Air Miles or Reward Points
 - including personal professional development charges (Fund 65)
- Where the end user receives a reimbursement allowance such as gas or travel expenses
- Purchases split to meet the \$500 single transaction limit

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- Entertainment
- Gift cards (other than grocery gift cards for home economics supplies)
- Alcoholic beverages
- Meals (use travel expense report for per diem)
- Purchases from an internal source (e.g. normally arranged by work order)
- Service contracts
- Hazardous materials or dangerous goods
- Purchase of items over your approved transaction limit
- Capital expenditures (furniture, equipment, computers, etc.)
- Computer software
- Systems development/maintenance/enhancements
- Professional service contracts such as legal, accounting, architecture, or engineering services
- Casual or temporary labor
- Donations
- Outsourcing district facilities support such as repair or services
- Fines, late fees or penalties
- Supplies and services covered by District Standing Purchase Orders or Contracts

The Purchasing Card is not intended to be used to make purchases of equipment, software or furniture. If uncertain of a request/item, contact the Purchasing Department. Purchases of equipment and software should be requested on a Purchase Requisition and directed to the Purchasing Department.

All purchases must be within your allocated budget.

TRANSACTION LIMITS (figures are cumulative)

1. Single transaction (a purchase of one or more items from a single merchant at one time) - \$500
2. Daily spending limit - \$1,000
3. Daily transaction limit - 5
4. Monthly spending limit - \$5,000
5. Monthly transaction limit - 20
6. Merchant types blocked from use – cash advances and financial services and liquor/drinking establishments

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RECONCILIATION, PAYMENT AND RECORD RETENTION

Each cardholder will receive a monthly statement identifying each purchase transaction. You will be notified that your monthly statement is available via email from BMO Financial Group on the first business day following the statement date (the 10th of the month). Statement notifications are emailed to all cardholders who had a balance the previous month or are carrying a balance in the current month.

The cardholder is to:

1. Match all original credit card receipts against transactions on the statement. If there are discrepancies, these must be followed up with the vendor.
2. Enter the appropriate GL code and reason for expenditure through the online BMO Spend Dynamics reconciliation process. The District Card Administrator and Finance Department will need this information for accurate expenditure coding in the G/L.
3. Enter the GST amounts through the online BMO Spend Dynamics reconciliation process. GST amounts **MUST** be recorded from the original receipt, **NOT** from the BMO statement (as these are estimates only). The District Card Administrator and Finance Department will need this information for GST rebates.
4. Attach full itemized purchase/till receipts to the statement (debit/credit slips alone are NOT sufficient documentation), sign the statement and obtain approval signature from your Supervisor or Principal.
5. Forward signed statement and supporting documents to the Secretary-Treasurer's office at the District Education Support Center **NO LATER THAN THE 22nd OF THE MONTH** to ensure timely payments to Bank of Montreal and timely accounting month end close.

Accounts Payable will assume all transactions recorded by the bank are legitimate and payment to the bank will be processed without approval by the cardholders and supervisors. Responsibility rests with the credit card users and supervising managers to ensure all transactions are accurate and legitimate.

Disputed items, which are purchases that do not accurately reflect the transactions made by the card holder (such as the wrong amount, multiple postings), are the responsibility of the card holder. Disputes with merchants are also to be settled by the card holder directly.

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***CONSISTENT FAILURE TO PRODUCE FULL
DETAILED RECEIPTS WILL RESULT IN THE LOSS OF
PURCHASING CARD PRIVILEGES.***

***NON-COMPLIANCE OF THE LIMITATIONS WILL RESULT IN ONE WARNING
WHICH WILL BE ISSUED, SIGNED AND ACKNOWLEDGED.***

***A SECOND NON-COMPLIANCE WILL RESULT IN THE LOSS OF
PURCHASING CARD PRIVILIGES.***

CARD RETURN

It is the responsibility of the School or Department Administrator to advise the District Card Administrator to cancel cards for a cardholder who has terminated their employment with the District or changed job function. The cut-up card must be returned to the District Card Administrator.

LOST OR STOLEN CARDS

Should your card be stolen or misplaced, it is your responsibility to phone (1-800-652-3888) and report the loss immediately to BMO to avoid any unauthorized charges. Contact the District Purchasing Card Administrator to request a replacement card.

DECLINED CARDS

Each vendor has an assigned "Commodity Code" from MASTERCARD. The District has elected to block the transactions on some Commodity Codes. If a vendor advises you that the transaction has been rejected first check that the correct MASTERCARD number, name and expiry date was given. Should the transaction still not be processed please call the MASTERCARD Customer Service 1-800 number on the back of the MASTERCARD card and ask them to check to see why the transaction was declined. It is likely that the Commodity Code is blocked and you will be unable to use the MASTERCARD card with that vendor. If that is the case, the normal purchasing procedures will apply. Contact the Purchasing Department for assistance.