



PROCEDURE:	Pr A: 27
EFFECTIVE:	
AMENDED:	
RELATED POLICIES:	A:27 A:04 Pr A:04 A:12 F:02
REPEALS:	
REVIEW DATE:	

1.0 OBJECTIVE

To provide procedures to govern the use of Board Purchasing Cards.

2.0 SCOPE

- 2.1 The use of the Purchasing Card for small dollar transactions is intended to replace purchases that would generally have been obtained by the Purchase Order or Petty Cash procedures.
- 2.2 It is unacceptable to use the Purchasing Card if the requested items have been denied through the Purchasing Requisition Process.
- 2.3 If the cardholder is uncertain regarding the acceptability of the purchase, they should discuss the issue with their manager or supervisor in advance of the purchase. If further clarification is required, the Purchasing Department should be contacted.

3.0 AUTHORIZATION

- 3.1 Purchasing Cards shall only be issued to those individuals who have been approved by Executive Council, and who have fully executed the Purchasing Card Employee Acknowledgement, which is attached as Appendix A.
- 3.2 To request consideration for approval from Executive Council, the employee's supervisor shall submit the employee's name and the rationale for the request detailing the employee's need for a Purchasing Card. Approval shall be at the discretion of Executive Council.
- 3.3 The Controller of Finance shall provide to Executive Council as requested, and file with Executive Council at least twice yearly, a list of individuals who have been issued a Purchasing Card and the year to date expenses charged to their cards.

- 3.4 Supervisors shall execute the acknowledgement agreeing to review purchases to ensure the terms therein, as well as the provisions of the Board's Purchasing Card Policy and Procedure, are followed.
- 3.5 Management shall set authorization controls that include:
 - a) restriction that there be no purchases of alcohol charged to the Purchasing Card.
 - b) restriction that there be no cash advances charged to the Purchasing Card.
 - c) monthly credit limits for individual cardholders.
 - d) dollar limit per transaction for individual cardholders to a maximum of \$3,000 (sales taxes excluded).
 - e) Types of merchants that will be authorized.
- 3.6 Cardholders shall not split transactions in order to comply with the dollar limits. Supervisors shall review purchases to determine whether items are being purchased separately to avoid these limits. Should the supervisor determine, at his or her discretion, that this procedure is being breached, he or she may take disciplinary action, including cancellation of the Purchasing Card.
- 3.7 The Board will receive an annual report on Purchase Cards. The report will contain the title of the person issued the purchase card and a summary of all expenses charged to their card.

4.0 AUDIT

- 4.1 Purchasing Cards are subject to audit at any time.
- 4.2 The bank produces monthly Purchase" Exception Reports" on individual cardholders by merchant category. The Central Card Coordinator will review these "Exception Reports" on a monthly basis. Regular spot audits will be performed to ensure successful implementation of the Program.
- 4.3 Exception Reports are designated to illustrate deviations from established Board standards, Policy and Procedure dealing with the use of Purchase Cards.

5.0 PURCHASE PROCEDURES AT VENDOR

- 5.1 The steps of a typical pick-up order include the following:
 - a) the cardholder selects merchandise and presents it with the card to the cashier.
 - b) The cashier totals the sale and obtains authorization from the credit company.

- c) The cardholder signs and receives a detailed cash register receipt that is to be retained in his/her records (vendor's GST number must appear on the cash register receipt).
- 5.2 The steps of a typical telephone/mail/fax order include the following:
- a) the cardholder selects merchandise or service and then calls/mails/faxes the supplier with the order.
 - b) the cardholder instructs the supplier to change the merchandise/service to their Purchasing Card and supplies the card number.
 - c) the cardholder must instruct the supplier to follow these rules:
 - i. forward a receipt and/or packing slip to cardholder for confirmation
 - ii. ensure that the GST number is on the receipt or packing slip

6.0 BUDGET PROCEDURES

- 6.1 The WECDSB Purchasing Cards are linked to budget accounts. Each card has been assigned a default school/board department budget code that is used to process payment for purchases made on the card. Re-allocation of expenditures is not encouraged but, at the discretion of the Controller, re-allocation will be accommodated by the Finance Department.

7.0 RECONCILIATION, PAYMENT AND RECORD

- 7.1 Each cardholder will receive a Monthly Statement identifying each transaction made against the card during the previous month. The statement will be mailed to the cardholder at their office/school address. This cardholder statement is not to be paid but is for reconciliation purposes only. The total purchases will appear on the Master statement that is received by the Finance Department for direct payment.
- 7.2 The following steps are required for each cardholder for the reconciliation of all Purchasing Card purchases:
- a) The cardholder matches all transaction receipts and supporting documentation stored in the Purchasing Card monthly file folder with the transactions listed on his/her statement. This shall include an itemized receipt, credit card receipt, and if relating to a meal expense, an explanation as to whose expenses are being covered and the reason the expense was incurred. The documents are to be attached to the monthly statement and forwarded to the accounting department.
 - b) Should the transaction involve the purchase of air or train fare, the cardholder shall attach a copy of the boarding pass or ticket stub to the statement.
 - c) The cardholder acknowledges the verification of all monthly transactions listed by signing the monthly statement at the bottom.

- Any discrepancies must be identified and appropriate action taken to resolve the problem
- d) Retain all receipts that do not appear on the current statement in the Purchasing Card monthly File Folder, to be submitted later with the statement on which they are listed.
- 7.3 The purchase cardholder must submit monthly statements to his or her supervisor for approval within 7 days of receipt of the statement.
- 7.4 Those functional areas that choose not to submit the required monthly reporting on time, will have **all cards** in their area designated as unusable for a one-month period by the Superintendent of Business. The Superintendent of Business will **not** attempt to track down the information, as the time frame to supply all information is considered reasonable. If a potential difficulty is looming, it is the responsibility of the Principal/Supervisor to contact the Central Card Coordinator. This option is intended to stress to all staff utilizing the card of the importance of timely reporting, thereby ensuring a proper audit trail.
- 7.5 Purchasing will assume that all transactions recorded by the bank are legitimate and the Cardholder/Principal will process payment to the bank without approval. Responsibility rests with the cardholder to ensure that all transactions are accurate and legitimate.

8.0 TERMINATED EMPLOYEES

- 8.1 The following are steps taken when an employee leaves the School Board:
- a) Local management is responsible for collecting and destroying the card
 - b) Local management notifies the Central Card Coordinator
 - c) The Central Card Coordinator advises the bank to cancel the card

9.0 DISPUTE PROCESS

- 9.1 The following steps should be taken for all transactions in dispute:
- a) Cardholder contacts supplier directly
 - b) Supplier reviews information and either demonstrates the charge is legitimate, credits the account or continues dispute
 - c) If the dispute continues, contact the Central Card Coordinator with details
 - d) The Central Card Coordinator will work with CIBC to resolve the issue

10.0 LOST AND STOLEN CARDS

- 10.1 The cardholder must notify the bank immediately of any lost or stolen card. The lost or stolen card will be cancelled and a replacement card will be issued. Until the card is reported lost or stolen, charges made on the card will be the responsibility of the school/department to which it has been issued. Cardholders should exercise care in keeping the Purchasing Card and its account number secure from theft or misuse.

11.0 OWNERSHIP OF CARDS

- 11.1 All Purchasing Cards issued by the Windsor-Essex Catholic District School Board remain the property of the bank and as such, may be cancelled/revoked at any time.

APPENDIX A

Purchasing Card Employee Acknowledgement

This document outlines the responsibilities I have as a holder of the CIBC Purchasing Card for procurement. My signature indicates that I have read and understand these responsibilities and, agree to the policies and procedures established for the program.

1. The credit card is intended to facilitate the purchase and payment of materials and services required to conduct business. I cannot use the card for personal purchases.
2. Unauthorized use of the card can be considered misappropriation of funds. This could result in:
 - i) Immediate and irrevocable forfeiture of the card and/or
 - ii) Disciplinary action that may result in termination of employment
3. I understand that the card must be surrendered upon suspension or termination of employment, whether for retirement, voluntary, separation, resignation or dismissal. I may also be requested to surrender the card for reasons not related to my own personal situation, such as re-organization. I understand that use of the card, after privileges are withdrawn, is prohibited.
4. I will maintain the card with appropriate security whenever and wherever I may use the card. If the card is lost or stolen, I agree to notify CIBC and the Card Coordinator immediately. I understand failure to promptly notify CIBC of the theft, loss or misplacement of the Card could make me responsible for the fraudulent use of the card.
5. The Purchasing Card is issued in my name. I will not allow any other person to use my card.
6. I understand that since the Board is responsible for payment, I may periodically be required to comply with internal control procedures designed to protect the organizations assets. This may include being asked to produce the credit card records for audit purposes.
7. I understand that I will receive a monthly statement that will report all activity during the last cycle. I will resolve any discrepancies by either contracting the supplier of the Card Coordinator as appropriate. I understand that I will be required to obtain a copy of the cash register receipt or packing slip and reconcile them with the monthly statement.
8. I understand that all charges will be billed directly to and paid directly by the Board. I understand that CIBC cannot accept payment from me directly.
9. I agree to charge only those purchases consistent with the type of materials and services authorized by management.

I _____ hereby acknowledge the receipt of the Board's VISA Purchasing Card. I have verified the information contained thereon and attest to its accuracy.

Employee Name (please print) _____

Employee Signature: _____ Date: _____

I _____ hereby acknowledge that _____ has been approved as holder of the CIBC Purchasing Card, and as supervising officer I shall make best efforts to review purchases to ensure compliance with conditions, policies and procedures.

Supervisor's Name (please print): _____

Supervisor's Signature: _____ Date: _____