

DENVER PUBLIC SCHOOLS



PURCHASING CARD PROGRAM

Handbook
for
Cardholders
and
Approving Officials



Revised December 15, 2010

TABLE OF CONTENTS

Welcome to the Purchasing Card Program	3
Reporting a Lost or Stolen Card	4
Key Program Contacts	5
Glossary of Terms.....	6

I. CARDHOLDER INFORMATION

Responsibilities.....	7
Purchasing Card Limitations and Billing Cycles.....	7
Prohibited Transactions.....	8
Consequences for Violations.....	8
Excluded Items and Merchant Types	9

II. USING THE CARD

Steps to Selecting the Merchant	10
Placing the Order.....	10
Declined Transactions.....	11
Keeping Track of Orders Placed	11
Receiving and Inspecting the Goods.....	11
Returns and/or Exchanges	11
Disputes.....	12
Documenting Each Transaction	12

III. ACCOUNTING REQUIREMENTS

Approving Official - Review of Statement of Account.....	13
Filing Payment Request with General Accounting	13
On Site Filing of Documentation.....	13

IV. FORMS

Agreement to Accept the Visa Purchasing Card.....	14
Dispute Form	15
Expense Report Sheet	16
Order Log.....	17
Unavailable Documentation Form	18

WELCOME TO THE DENVER PUBLIC SCHOOLS PURCHASING CARD PROGRAM!

We hope you find this Visa Purchasing Card Program to be helpful in conducting business for the District. Please do not hesitate to ask questions regarding any aspect of the Purchasing Card Program. We welcome your input and suggestions for improvement of this Program.

Purchasing Card Program Co-Administrators

Purchasing Director: Michael S. Thomas
E-Mail: michael_thomas@dpsk12.org
Phone: 720-423-3346
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Purchasing Manager: Wendy Scheidegger
E-Mail: wendy_scheidegger@dpsk12.org
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Purchasing Manager: Patrick Scanlan
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Using This Handbook

This handbook will provide you with the basic steps for using the Purchasing Card Program. It covers usage compliance issues, documentation of transactions, review and approval of statements, and more.

For further details on any topic, contact the Purchasing Card Program Coordinator, Lori Zell (see page 5).

LOST OR STOLEN CARD

CARDHOLDERS:

TO REPORT A LOST OR STOLEN CARD

IMMEDIATELY CALL

1-800-821-5184

**THEN NOTIFY THE PURCHASING CARD PROGRAM
COORDINATOR TO ENSURE THAT A NEW CARD
IS ISSUED.**

When reporting a lost or stolen card to UMB Bank,
inform them this is a "Purchasing Card".

KEY CONTACTS - WHO TO CONTACT

For new cards, replacement cards and general information:

Purchasing Card Program Coordinator

Lori Zell, Purchasing
Email: lori_zell@dpsk12.org
Phone: 720-423-3328
Fax: 720-423-3348

For information and questions regarding filing a payment request

Schools and Departments, A thru I

Linda Holschuh, General Accounting
Email: linda_holschuh@dpsk12.org
Phone: 720-423-3454
Fax: 720-423-3229

Schools and Departments, J thru Z

Rina Rashnitsova, General Accounting
Email: rina_rashnitsova@dpsk12.org
Phone: 720-423-3447
Fax: 720-423-3229

For information on declined purchases or specific transaction information, contact

UMB Bank
Phone: 1-888-494-5141
Fax: 816-843-2485

or email the Purchasing Card Coordinator

GLOSSARY OF TERMS

- **Approving Official**
The Principal or Department Head whose signature will appear on the Control Statement as authorization to pay.
- **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 is the statement to be sent to General Accounting with the appropriate Approving Official's signature.
- **Merchant Category Code**
A four-digit category code established by VISA that identifies the goods and/or services that a particular vendor provides. A vendor can have more than one merchant code. This code determines which vendors you are authorized to use.
- **Order Log**
A log of all orders made with the Purchasing Card, per card, maintained by the Cardholder.
- **Payment Request**
Documentation submitted to General Accounting requesting payment for monthly charges. Documentation requirements are listed on page 12.
- **Purchasing Card Program Administrator**
The person, or persons, supervising the Purchasing Card Program.
- **Purchasing Card Program Coordinator**
The person who administers the Purchasing Card Program.
- **Requirements Contract**
(Formerly Term and Supply Contract) A contract, with a specific term and indefinite quantities, where the purchase of goods or services specified in the contract description are made by a school or department by issuing a Contract Release Request to the selected vendor.
- **Sub-Statement**
Monthly statement from UMB identifying transactions for the month for a specific cardholder. This should be kept by the cardholder for reference. Do not send this statement to General Accounting.

I. CARDHOLDER INFORMATION

RESPONSIBILITIES

Cardholders are responsible for:

- IMMEDIATELY reporting a lost or stolen card to UMB Bank, 1-800-821-5184, and then notifying the Purchasing Card Program Coordinator. Your school/department has full liability for all purchases made before a card is reported lost or stolen.
- Making purchases for your school/department of authorized and allowed goods up to your designated transaction limit
- Making purchases in compliance with information contained in this handbook.
- Ensuring original merchant documentation is complete and available for every transaction.
- Reviewing Sub-Statement for accuracy.
- Cutting up and turning in your card to the Purchasing Card Program Coordinator upon transfer or termination.

Approving Officials are responsible for ensuring the integrity of the Purchasing Card Program by:

- Reviewing the monthly Control Statement that includes each cardholder's transactions during the cycle period.
- Signing off on the Control Statement for his/her school/department.
- Reporting violations of the Purchasing Card Program to either of the Purchasing Card Program Co-Administrators or the Coordinator.
- Informing the Purchasing Card Coordinator of cardholder transfer or terminations, and your own transfer or termination.

CARDHOLDERS - PURCHASING CARD LIMITATIONS AND BILLING CYCLES

Upon reviewing the Procurement/VISA Card Training Video and passing the quiz you will receive your DPS Visa card and the information to fill in the blanks below. The DPS Plan that you are under determines the merchants where you are able to use your card. This information is important to keep for future reference.

DPS Plan _____

Billing cycle _____

Date payment request due: within 7 working days of the statement closing date

Cardholder's monthly limit _____

Per transaction limit _____

VISA PROHIBITED TRANSACTIONS

DO NOT USE YOUR DISTRICT VISA CARD FOR THE FOLLOWING, AS THEY ARE PROHIBITED TRANSACTIONS AND ARE CARDHOLDER VIOLATIONS. POINTS FOR EACH VIOLATION, LISTED BELOW, WILL BE ASSESSED AGAINST THE CARDHOLDER.

- Advertising for personnel positions – 5 points
- Alcohol or tobacco purchases – 150 points
- Bus excursions – 25 points
- Cash or cash-type transactions – 50 points
- Cell phone service (including talk, text, data, apps, etc.) – 25 points
- Computers (including laptops & tablets) – 50 points
- Consultants & service providers (independent contractors) – 50 points
- Gift cards/certificates – 50 points
- Gifts for employees (including meals, flowers, etc.) – 25 points
- Personal purchases – 25 points for the 1st violation; 50 points for the 2nd and subsequent violations
- Software (includes licenses, online subscriptions and renewals) – 50 points
- Split purchases (exceeds per transaction limit, split into two or more transactions) – 50 points
- Textbooks – 10 points
- Travel related expenses not allowed: meals/food – 50 points
- Vehicle expenses for personal vehicle (e.g., gasoline, car wash, etc.) – 50 points

Violations when submitting the payment request to General Accounting:

- Complete information not included for meals or entertainment expenses* - 25 points
- Itemized receipts not included – 10 points
- Missing receipt (must submit an Unavailable Documentation form) – 10 points
- Principal or Department Head's signature not on Unavailable Documentation form – 10 points
- Principal or Department Head's signature not on control statement – 50 points

* **Cards are approved for meals and entertainment expenses (restaurants, caterers, grocery, bakery and deli items, etc.) only for District meetings that take place within the Denver Metropolitan Area. Expense Report Sheets for these transactions must provide the usual information as well as the name(s) of person(s) at the meeting, the business relationship, the type of entertainment (lunch, dinner, etc.), and the business purpose of the meeting.**

CONSEQUENCES FOR PURCHASING CARD VIOLATIONS

Card violations will be audited at least twice a year, and an accumulated total of 150 points within the current fiscal year will result in the suspension of your card for six months. At the end of the six month suspension period you will be required to receive additional training in the use of the Visa card. After fulfilling this requirement your card will be re-activated. If you accumulate 75 or more points within two years of the re-activation, your Visa card will be permanently canceled.

EXCLUDED ITEMS AND MERCHANT TYPES

An attempt to purchase these items will cause the transaction to be declined.

- Wire transfers, money orders
- Betting, lottery, wagers, beer, wine, liquor

An attempt to purchase from these types of merchants will cause the transaction to be declined.

- Banks, ATM's, Financial Institutions
- Liquor stores
- Dating and escort services, counseling, massage parlors, health and beauty spas, computer dating
- Automotive related merchants - auto dealers, auto repair, gasoline and service stations
- Drinking Places - bars, cocktail lounges, nightclubs
- Travel Related Merchants - auto rental (other than Enterprise Rent-A-Car), railroads, charter & tour buses, cruise lines

The complete Visa Merchant Category Code (MCC) Listing is available to cardholders on Purchasing's web site. It details the merchant types that are or are not open for use under each cardholder's particular DPS Purchasing Card Plan.

II. USING THE CARD

STEPS TO SELECTING THE MERCHANT

Ask yourself the following questions when selecting the merchant for each transaction:

- 1. Does this vendor have a Requirements Contract?** If so, it is preferable that you place the order using a Contract Release Request (CR). The list of vendors who have Requirement Contracts with the District is available on the Purchasing Department's web site, <http://purchasing.dpsk12.org>.
- 2. What if the vendor I want to use does not accept Visa?**
 - You will need to:
 - Choose a different merchant, or,
 - Choose another purchase method
 - If you frequently do business with this merchant, contact the Purchasing Card Coordinator
- 3. What if the vendor needs tax exempt information?**
 - Provide the vendor with the tax-exempt number that is on the card.
 - If the vendor needs an official tax-exempt certificate, give them a copy of the certificate that was provided with your Visa card.

PLACING THE ORDER

You may place your order in person, by phone, by fax, by mail, or over the Internet. Always

- Inform the vendor that the purchase is tax exempt (the District's Tax-Exempt Number is printed on your card) and carefully review your receipt to ensure that no tax was charged. You are responsible for securing a credit from the vendor or personally reimbursing the District for any sales tax that is charged to your Purchasing Card.
- Remind the merchant that this is a Denver Public Schools purchase and should be accorded any applicable discounts.
- Give your name as it appears on the card.
- Give accurate delivery information (the address must be a DPS site, not your home address).
- COD deliveries are not allowed. You must pay at the time of ordering or pick up by using the Purchasing Card.
- Request documentation showing the description and cost of each item.
- Do not create a Purchase Requisition (PR) or Contract Release Request (CR) when using the purchasing card.
- When placing a telephone order request a faxed copy of the invoice or order.
- When ordering over the Internet be sure to print out the order or order acknowledgement page while still on the vendor's web site.

DECLINED TRANSACTIONS

Contact UMB Bank Commercial Accounts, 888-494-5141, for information on why a transaction is declining or you may email the Purchasing Card Coordinator (see page 5) instead. The possible reasons for a declining charge and what to do:

- Telephone orders - The merchant has written down the card number and/or expiration date incorrectly. Have the merchant repeat this information to you before completing the order.
- Per transaction limit exceeded - The transaction exceeds your per transaction limit, usually \$2,500.00, therefore, the order must be done on a Purchase Order. The requesting school or department needs to enter a Purchase Requisition in Cayenta to start the ordering process.
- Monthly cycle limit exceeded - The transaction, added to previous transactions made during the current billing cycle, exceeds your monthly dollar limit. You must wait until the billing cycle has ended, and, if your payments are current, you will be able to place the order at that time.
- Excluded MCC - The merchant's 4-digit Merchant Category Code (MCC) is one of the District's excluded codes. The list of Merchant Category Codes is available on Purchasing's web site. You need to email the Purchasing Card Coordinator if you cannot purchase the item(s) anywhere else. The email must include the merchant's name, a description of the item(s) you want to purchase and the total amount to be charged.
- International company - The merchant is outside of the continental United States, your card cannot be used for international purchases. You need to email the Purchasing Card Coordinator if you cannot purchase the item(s) anywhere else. The email must include the merchant's name, a description of the item(s) you want to purchase and the total amount to be charged.
- If the transmission is down between the merchant and its bank, the transaction will decline. Ask the vendor to try later (if the vendor makes ten attempts and is declined each time, the card will then decline at any vendor for the remainder of the day).

KEEPING TRACK OF ORDERS PLACED

You are encouraged to keep an Order Log (see page 17) for each billing cycle. Keeping track of the orders you place will allow you to track your dollar limits and follow up on late deliveries, order problems, partial shipments and other order issues.

RECEIVING AND INSPECTING THE GOODS

Inspect all goods IMMEDIATELY UPON RECEIPT. If there is a problem with the order, contact the merchant immediately. Keep notes on problems and their resolution including names, dates and conversation results.

RETURNS AND/OR EXCHANGES

- Make arrangements with the merchant before shipping an item for return. The merchant should provide you with a return authorization number.
- The merchant must credit a return. Any exchange must result in a new transaction. Exchange of like items, for example: different colors or replacement of damaged goods may not require a credit transaction.
- It is a cardholder violation to accept cash for a credit card return. It is a merchant violation to refund cash for a credit card return. Do not allow merchants to do this.
- Document all returns and exchanges. This information may be needed for a formal dispute.

DISPUTES

The cardholder must file a formal written dispute with UMB Bank within sixty (60) days of the end of the billing cycle (see page 7 for your billing cycle) in which the transaction first appeared. The dispute form is on page 15 of this handbook. You should dispute the following:

- Unauthorized charges, including unauthorized Internet, phone or mail order charges.
- Difference in amount authorized by cardholder and amount charged by vendor.
- Duplicate charges.
- Your account has not yet been credited but you have received a credit voucher from the merchant or have been told by the merchant that they have issued a credit.
- Failure to receive goods.
- Unrecognized charges.
- Returned merchandise.
- Defective merchandise.

DOCUMENTING EACH TRANSACTION

Complete a Purchasing Card Expense Report Sheet (see page 16) for every transaction, including a credit, and attach the original, valid source documentation. Every transaction must have valid and complete source documentation from the merchant.

Valid source documentation should be:

- An itemized receipt and card transaction slip from the merchant
- An invoice/packing slip showing credit card payment and listing individual items and cost of each
- Copy of the order or order acknowledgement printed from vendor's web site when orders are placed over the Internet.
- Order forms for dues, subscriptions, registrations, or similar items.

All documentation must include the following information:

- Vendor Identification (merchant name)
- Date the purchase was made
- Description, quantity and unit cost of each item purchased
- Total cost of the order
- Cardholder name and/or card number

What to do if you don't have documentation:

- If you have lost or misplaced the original documentation, contact the merchant directly to obtain a duplicate. You must complete an Unavailable Documentation Form (page 18) if the merchant will not or cannot provide the duplicate documentation. If you do not specify the reason that documentation is not available it will be considered a lost receipt. The Unavailable Documentation Form must be signed by the cardholder and the Approving Official for the school or department.
- If the merchant did not provide documentation, contact the merchant directly to obtain it. If the merchant will not or cannot provide documentation, you must complete an Unavailable Documentation Form (see page 18); note on the form that the merchant did not provide documentation originally and will not or cannot provide it now. This will not be considered a cardholder violation, however, the Unavailable Documentation Form must be signed by the cardholder and the Approving Official for the school or department.

Failure to Provide Original Documentation

- Please see page 8 for the complete list of Prohibited Transactions and Consequences for Purchasing Card Violations.

III. ACCOUNTING REQUIREMENTS

APPROVING OFFICIAL - REVIEW OF STATEMENT OF ACCOUNT

After the paperwork has been submitted by the cardholders and matched to the transactions on the Control Statement, the Approving Official (principal or department head) reviews the transactions to ensure appropriate purchases and then signs the Control Statement for the school or department. This signature constitutes approval to pay.

If the Control Account Statement has not been received within 7 working days after the end of the billing cycle (see your billing cycle on page 7), email the Purchasing Card Program Coordinator (page 5) to obtain a copy of the Control Account Statement so that payment can be approved and submitted to General Accounting in a timely manner.

FILING PAYMENT REQUEST WITH GENERAL ACCOUNTING

Requests for payment must be sent to General Accounting within seven working days from the end of the billing cycle (page 7), not seven working days after receipt of the statement. If you have questions when preparing the payment request, call the General Accounting contact for your site (see page 5).

Requests for payment must consist of the following:

1. The original Control Statement for your school/department – signed by the Approving Official.
2. All Purchasing Card Expense Report Sheets matching the transactions on the Control Statement.
 - The appropriate account number(s) must be included on each expense report sheet.
3. Original, valid source documentation for each expense report sheet (see page 12).

General Accounting will audit the documentation and process payment of the account.

- Incomplete or inaccurate paperwork will cause a delay in payment.
- If payment is not made by the due date, then the bank may de-activate the control account so that all transactions for cardholders at the school or department will decline until the past due payment is made.

ON SITE FILING OF DOCUMENTATION

A copy of the Control Statement, each expense report sheet and its supporting valid source documentation must be kept on file at the school/department. The originals must be sent to General Accounting.

To a successful Purchasing Card Program!

THANK YOU!

IV. FORMS

Agreement to Accept the Visa Purchasing Card

Your participation in the Denver Public Schools' Visa Purchasing Card Program is a convenience that carries responsibilities along with it. Although the card is issued in your name, it should be considered District property and should be used with good judgment. Your signature below verifies that you understand the Denver Public Schools' Visa Purchasing Card Program guidelines outlined below and agree to comply with them.

1. The Visa Purchasing card is provided to employees based on their need to purchase business-related goods and services. A card may be revoked at any time based on cardholder violations, changes in assignment or location. The card is not an entitlement nor reflective of title or position.
2. The card is for business-related purchases only; personal charges are not to be made to the card.
3. You are the only person entitled to use the card and are responsible for all charges made on the card. Violation points for prohibited transactions will be assessed against the cardholder.
4. Improper use of the card can be considered misappropriation of District funds which may result in disciplinary action, up to and including termination.
5. All charges are billed directly to and paid directly by the District. Any personal charges on the card could be considered misappropriation of District funds since the cardholder cannot pay the bank directly.
6. Cardholders are expected to comply with internal control procedures in order to protect District assets. This includes keeping receipts, reconciling Visa Purchasing Card monthly statements and following proper card security measures.
7. Cardholders are responsible for reconciling their Visa Purchasing Card monthly statement and resolving any discrepancies by contacting the supplier or the bank.
8. A lost or stolen card should be reported immediately by telephone to UMB Bank Customer Service at 1-800-821-5184.
9. A cardholder must surrender his or her card upon termination of employment (i.e., retirement, or voluntary/involuntary termination) or when moving to another school or department. At this point, no further use of the account is authorized.

Cardholder Signature

Cardholder Printed Name

School/Department

Date



VISA PURCHASING CARD DISPUTE FORM

ACCOUNT INFORMATION

Name _____

Account Number _____

Company Name _____

Business Phone _____

TRANSACTION INFORMATION

Merchant Name _____

\$ _____
Amount of Dispute

Date of Transaction _____

Reference Number of Transaction from Statement _____

DISPUTE DETAILS

Please mark the appropriate dispute reason listed below and if indicated, provide the requested documentation.

- Need a copy of the transaction in order to submit payment.
- Need a copy of the transaction for our records only.
- Amount is to be billed to a different UMB card number. UMB card number: _____
- Incorrect Amount. *Must provide copy of receipt.* I was billed \$ _____ but should have been billed \$ _____
- Duplicate Posting. The original transaction posted to my statement for \$ _____ on _____ date.
- I returned the merchandise to the merchant on _____ date. The reason for return is listed below. *Must provide proof of return.*
- I have a credit slip and the credit has not posted to my account. *Must provide copy of credit slip.*
- I did not participate in the transaction and I do not know what the transaction is for.
- I have not received the merchandise and it was to be delivered on _____ date.
Must give dates when the merchant was contacted to check on the status of the order & their response below.
- I cancelled a guaranteed late arrival hotel reservation on _____ date at _____ time & cancellation # is: _____
- Other. Details of the dispute have been provided below.

ADDITIONAL INFORMATION REGARDING THE DISPUTED CHARGE

SEND THIS FORM TO:
 UMB Bank Card Center
 ATTN: PURCHASING CARD
 DISPUTES
 P.O. BOX 419734
 KANSAS CITY, MO 64141
 FAX: 816-843-2485

Cardholder's Signature & Today's Date

**Denver Public Schools
Purchasing Card
Expense Report Sheet**

Date of Charge: _____

Vendor: _____

Charge Amount: _____

*** Description of Charge:** _____

Account Number: _____

* The "Description of Charge" for meals and entertainment expenses (restaurants, caterers, grocery, bakery and deli items, etc.) must specify the person(s) entertained, the business relationship, the type of entertainment (lunch, dinner, etc.), and the business purpose of the meeting during which the food was consumed.

Denver Public Schools
Visa Purchasing Card Program

UNAVAILABLE DOCUMENTATION FORM

Documentation from the merchant is required for every Purchasing Card transaction. Transaction documentation includes

- An *itemized* receipt and card transaction slip from the merchant, or
- An *itemized* invoice or packing list showing credit card payment, or
- An order form for dues, subscriptions, registrations (not involving travel), or similar items.

This form must be submitted to General Accounting with your monthly statement for any purchasing card transaction that does not have the documentation you received from the merchant. Repeated use of this form as substitute for actual documentation from the merchant is cause for revocation of your Purchasing Card.

TRANSACTION INFORMATION

Cardholder Name _____ School/Department _____
Approving Official's Name _____ Account to be Charged _____
Merchant Name _____ Date of Purchase _____

DESCRIPTION OF CHARGES

Quantity	Unit	Item/Service	Unit Cost	Total Cost
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	_____	_____
Total Amount of Purchase (attach additional sheet if necessary to complete the information in this section)				\$ _____

Reason original documentation is not available (attach substantiating correspondence, etc., if pertinent and/or available):

CARDHOLDER CERTIFICATION SIGNATURE. I hereby certify the following:

- All items purchased on this transaction were for District use; no personal purchases were made.
- I will not seek reimbursement in any other manner for this transaction.
- Original documentation is not in my possession for the reasons stated above.
- I acknowledge that repeated failure to provide actual documentation will result in revocation of my Purchasing Card.

Cardholder's Signature _____ Date _____

APPROVING OFFICIAL CERTIFICATION SIGNATURE. I hereby certify the following:

- The cardholder referenced above is unable to provide documentation from the merchant for this transaction as required in the Purchasing Card Program rules.
- It is my understanding and belief that the cardholder made this purchase for District use.
- I acknowledge that repeated failure to provide actual documentation will result in revocation of this cardholder's Purchasing Card privileges.

Approving Official's Signature _____ Date _____