Albuquerque Public Schools

PURCHASING CARD PROGRAM

PROCEDURES

Revised June 2024

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CONTACT INFORMATION

Purchasing Card Program Contact Email: pcard.administrator@aps.edu

PCard Administrator Telephone: (505) 880-2565

Physical: 6400 Uptown Blvd, N.E. Suite 500E

Mail: PO Box 25704
Albuquerque, NM 87125

Wells Fargo's Card Services

Cardholder's Point of Contact for:

- *Lost/Stolen Cards*
- *Password Reset*
- *Charge Disputes*

1-800-932-0036

Available 24 hours a day 365 days a year

Procurement Card (PCard) Terms

Allowed purchase: An acceptable transaction that utilizes the PCard in accordance with policies and procedures.

Allowable with Limitations & Prior Approvals: Transaction that utilizes the PCard that requires prior approval and may have limitations

Approver: APS employee who reviews purchases for allow ability, appropriateness and correct accounting expense accounts.

Cardholder: APS employee who has submitted an application and has been granted the right of purchasing for his or her school/department. This person is responsible for any activity on a PCard issued in his or her name. A cardholder may delegate responsibilities of reconciliation to another user but remains responsible for designee actions.

Chief Financial Officer: Responsible for approving Purchasing Card applications and submitting approved applications to the Purchasing Card Program Administrator.

Eligible PCard holder: APS site administrator or manager at school or department

Fraud: Any unauthorized activity or transaction performed on a PCard.

Issuing Bank: Wells Fargo Bank available 24/7/365 at 1-800-932-0036.

Lawson: Albuquerque Public Schools financial system

PCard Banking System: Wells Fargo Commercial Card Expense Reporting (CCER)

Purchasing Card Program Administrator: Main contact for issuing bank and coordinates, maintains and monitors overall purchases of all cardholders.

Reconciler: APS employee who performs reconciliation of a PCard statement, as a designee of the cardholder.

Reconciliation: The act that ensures each PCard transaction:

- Is legitimate.
- Is allowable for PCard purchase.
- Has obtained a receipt from the supplier.
- Is expensed to the correct accounting expense cost accounts.

Supplier: Vendor that supplies goods/services purchase by Cardholder.

Spending Limits: Each card has a spending limit of $1,000 per transaction with a maximum of $5,000 per month.

Unallowable purchase: Item/services that cannot be purchased with PCard.

Violation: Failure to follow District policies and PCard procedures.

Introduction

Welcome to the Albuquerque Public Schools Purchasing Card Program. These procedures assist in the management of Purchasing Card Program and provide guidance to the PCard Cardholder.

What is the Purchasing Card?

The Purchasing Card is a credit card that provides an efficient and effective method of purchasing and paying for small dollar items with a limit of $1,000 per transaction with a maximum of $5,000 per month.

DO NOT SPLIT YOUR PURCHASES into a small purchase to circumvent the limits.

If a credit increase is needed, the Cardholder should email the Chief Financial Officer or Executive Director of Procurement to request a single limit increase and/or a monthly increase.

The Purchasing Card works just like a personal credit card and will enable cardholders to purchase directly from suppliers/vendors per the PCard allowable/non-allowable purchase list.

Cardholder Eligibility- Criteria necessary to receive a Purchasing Card is as follows:

- Applicant must be a site administrator or manager of Albuquerque Public Schools **and**
- Each individual cardholder must sign a Purchasing Card Agreement form **and**
- Applications for a Purchasing Card must be approved by the requestor's appropriate Department Administrator or their Assistant Superintendent and APS Chief Financial Officer.

Cardholder, APS, and Supplier Benefit

Cardholder Benefits

A cardholder will be able to obtain goods for purchases $1,000 or less directly from suppliers. By streamlining the purchasing process, the Purchasing Card will also help improve turnaround time on the delivery of goods.

Albuquerque Public Schools Benefits

The Purchasing Card program provides a cost-efficient method for purchasing small dollar goods; built-in card features provide internal controls and reduces processing costs by minimizing the number of procurement related invoices and checks.

Supplier Benefits

When accepting the card for business purchases, suppliers need not send invoices since they will receive payment directly from the Issuing Bank (via the card association) within 48 hours. The supplier must provide a receipt to the Cardholder.

Spending Controls

The Purchasing Card is to be used only for the purchase of allowable goods/services. The card is restricted by merchant category codes. It is possible a merchant category code is not authorized for a purchase that a Cardholder may need. In this case the Cardholder should contact the P-Card administrator via email at PCard.administrator@aps.edu for further instructions.

Tipping

Tips can be made to restaurants for Athletic Travel in the amount of 18% of pre-tax. If tipped more than the 18% the Cardholder is responsible for reimbursement to the district.

Erroneous Declines

If the cardholder feels the Purchasing Card was erroneously declined by a supplier, the Program Administrator should be contacted for assistance. If a decline occurs outside of normal Albuquerque Public Schools business hours, the employee must find an alternate payment method or terminate the purchase and contact the Program Administrator during normal business hours.

Credits

Suppliers/Vendors should issue all credits for returned merchandise or services to the individual Purchasing Card account for any item they have agreed to accept for return. Under no circumstances should a cardholder accept cash in lieu of a credit to the purchasing card account.

Unresolved Disputes and Billing Errors

The Cardholder is responsible for contacting the supplier/vendor to resolve any disputed charges or billing errors within 60 days of transaction date.

If the issue cannot be resolved with the supplier, the cardholder should:

1. Contact Issuing Bank at 1-800-932-0036 directly for assistance.
2. The PCard Cardholder, themselves, must call the issuing bank not the Secretary or Administrative Assistant. This must be accomplished as soon as possible and no more than **60** days from the transaction date.
3. Disputed charges must be accounted for on the bank statement during monthly reconciliation until the dispute is resolved. If the dispute is resolved in the cardholder's favor, a credit in the amount of the disputed transaction will appear on a subsequent cardholder Bank statement.
4. Contact the Program Administrator for assistance if an acceptable resolution is not obtained.

Security and Storage

Cardholders should always treat their Purchasing Card with at the same level of care as their own personal credit cards. Keep the card safely secured and the account number carefully guarded. The only person entitled to use the card is the person whose name appears on the face of the card or designee identified by the cardholder. If cardholder authorizes a designee, it is recommended that the Cardholder maintain a log that a designee will sign out the Pcard and sign in when returned. Any designee must return the card within 24 hours following authorized use.

Lost, Misplaced or Stolen Purchasing Cards

Cardholders are required to immediately report any lost or stolen Purchasing Card to call Issuing Bank toll- free at 1-800- 932-0036 (24 hours a day, 365 days a year). The cardholder must also immediately notify his/her Supervisor and the Program Administrator about the lost or stolen card at the first opportunity during normal business hours.

Allowable, Allowable with limitations and Prior Approval, and Never Allowable

Prior to utilizing the PCard for a purchase, the PCard Cardholder shall review the Allowable, Allowable with limitations and Prior Approval and Never Allowable list to ensure to which category a purchase fall under and take corresponding action. If allowable or allowable with limitations/prior approval, the PCard can be used to pay the vendor, but the purchaser needs to make sure the funds are allowed for that specific purpose.

- If allowable and within the PCard limits, a purchase can be made.
- If allowable with limitations and prior approval, contact PCard Administrator at to assist in getting appropriate approvals. A PCard Administrator can increase limits for travel expenditures (event, airfare and lodging) that have an approved travel authorization number (TAN).
- If purchase is never allowed. PCardholder cannot make purchase.

Procurement Card Purchases Lawson Requisition Entry Process

- Requisitions in Lawson must be created for each purchases using the Procurement Card.
- Requisitions must be entered and released in Lawson financial system for the actual amount of purchase no later than one (1) business day of the purchase.
- Travel purchases requisitions must be entered within one business day when the traveler returns from trip.

PCard Purchase Bank Reconciliation and Approval Process

- **Reconciliation must be completed before approval process and by 10th of each month.**

1. Bank Statements must be reconciled monthly
2. Reconciliation is performed by:
    - Comparing accumulated vendor receipts against purchase transactions listed on the bank statement **and**
    - Ensure all receipts are taped to an 8 ½ X 11 sheet of paper. Please attach receipts in the order they appear on the bank statement. This allows timely audit of each transaction. **and**
    - Ensure each individual transaction on bank statement has a corresponding Lawson approved requisition number. The Lawson approved seven digit requisition number must be entered into the Business Purpose field of the transaction in Bank Reconciliation System.
    - If a transaction is disputed due to error or fraud, bank assigned case number must be entered in the Business Purpose Field of the transaction in Bank Reconciliation System.
    - Cost account numbers that pre-populated into Banking Reconciliation System can be ignored; these cost account numbers will not be used for posting of expense. The Requisition that is entered into Lawson financial system will be used for posting of purchase to school/department budget.
    - Vendor Receipts that are not on that month's statement must be retained for the subsequent month's statement including any credits that may not appear on the current statement.

- **Cardholder approval must be completed and all documents must be sent to Accounts Payable by the 10th of the month.**

1. Cardholder Approver shall

- Review each transaction on PCard Bank Statement for corresponding requisition number **and**
- Ensure vendor receipt(s) are attached to PCard Bank Statement **and**
- Sign and print name on PCard Bank Statement **and**
- Send PCard statement and vendor receipts to Accounts Payable by the 10th of the each month

Zero Balance Statements

Reconciliation and Approval must be completed even if the PCardholder believes that there has been no activity on the PCard. By reconciling and approving each monthly statement, the PCardholder ensures that there was no fraud committed on the account.

A zero balance statement must be printed, signed and sent to Accounts Payable by 10th of month to document that statement was reviewed.

Cardholder Liability

The Purchasing Card is a corporate charge card that will not affect the cardholder's personal credit. However, it is the cardholder's responsibility to ensure that the card is used within the stated guidelines in the Albuquerque Public Schools permanent revocation of the card, notification of the situation to management, and further disciplinary measures that may include termination.

Cardholder Account Closure & Violations

Cardholder Account Closure

The Program Administrator will close a PCard if a cardholder transfers to a different department, moves to a new job not requiring a Purchasing Card, and/or terminates employment.

Cardholder Violations

The following are violations for the PCard policy and Procedures that may constitute suspension of PCard:

1. The Purchasing Card is used for personal purchases.
2. The Purchasing Card is used for non-allowable purchases that did not obtain prior exemption for purchase.
3. A requisition has not been entered and approved in financial system for each PCard transaction.
4. Purchases split to circumvent the PCard purchase limits of $1,000 per transaction and $5,000 monthly.
5. A PCard is used that was assigned to an individual that has transferred to another location or has left the District.
5. Missing itemized receipts for transactions on PCard Statement.
6. The cardholder fails to provide, when requested, information about any specific purchase.
7. The cardholder accepts a cash refund in lieu of credit to the Purchasing Card account or cash advance.

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When a card holder's privileges are suspended the cardholder will be required to sign an agreement ensuring the cardholder will use their card responsibly and any further abuse will result in the permanent revocation of purchasing card privileges.

Violations

The issuance of a PCard is a privilege and requires adherence to all procedures. Any gross misuse of the card may result in immediate suspension of card privileges, if so deemed by the Executive Director of Procurement.

Failure to utilize the card correctly or to adhere to the reconciliation/approval schedule may result in the following action

Example of Violations and Corrective Actions:

Violation	Correction
Original Receipts not provided/missing, lost, or unavailable	Provide itemized receipt or affidavit within one (1) business day of notification. If violation is not corrected, the PCard will be suspended until receipts are provided to PCard Administrator.
No Lawson Requisition entered for purchase	Requisition must be entered within one (1) business day of notification. If violation is not corrected, the PCard will be suspended until requisition is entered and obtains all necessary approvals.
Tax paid on goods	Credit the tax back to the card or submit payment to the APS Accounting Department and provide receipt to PCard Administrator.
Non-Allowable PCard purchase	E-mail Chief Financial Officer or Executive Director of Procurement for consideration of approval for after the fact purchase or reimburse back to the district
No statement/late statement	Provide P-Card statement and documentation within one (1) business day of notification. The PCard will be suspended until statement is received and audited.

Note: If a violation is not corrected for the requisition entry the expenditure will be posted to operational fund account 537119. The charge to operational fund account 537119 will show on the BSR (Budget Status Report) as a negative balance until adequate funding/accounts are submitted to cover the cost. Contact the Budget or Grant office to assist in clearing the negative balance.

CARDHOLDER RESPONSIBILITIES

The Cardholder must:

1. Ensure budgeted funds are available before using the PCard and identify appropriate cost accounts for each purchase, i.e., supplies, purchase services, etc.
2. Ensure the Purchasing Card is used for legitimate District purposes only.
3. Check Allowable, Allowable with Limitations and Prior Approval & Never Allowable list prior to purchase.
4. Maintain the Purchasing Card in a secure location at all times and have a system for checking the card in and out.
5. Don't allow unauthorized individuals to use their Purchasing Card.
6. Adhere to the purchase limits and restrictions of the Purchasing Card and ensure the total transaction amount of any single transaction does not exceed $1,000 and maximum of $5,000 per month.
7. Obtain a legible itemized supplier/vendor **receipt(s) for ALL** transactions.
8. Ensure requisitions are entered into Lawson for actual amount of purchase for each transaction within one business day.
9. Cardholder must sign the bank statement copy. Cardholder must submit statement each month, even if there are no transactions.
10. Attempt to resolve billing disputes directly with the supplier/vendor. If unable to resolve the dispute, the cardholder should initiate dispute form to Issuing Bank online.
11. Ensure an appropriate credit for the reported disputed item or billing error appears on a subsequent cardholder statement.
16. **Immediately notify the Issuing Bank and Program Administrator of a lost or stolen Purchasing Card** at the first opportunity during normal business hours.
17. Return the Purchasing Card to the Program Administrator upon terminating employment with Albuquerque Public Schools or transferring departments within Albuquerque Public Schools.
18. Report fraudulent charges to the issuing bank immediately, and then inform the APS Program Administrator at 880-2570

APPENDIX

Purchasing Card Agreement (A)

Frequently asked Questions (B)

Authorization Form Letter to Vendor (C)

Allowable and Non-Allowable (D)

Lawson Requisition Entry Information (E)

Appendix – A-Do Not Print

Purchasing Card Agreement

ORGANIZATION Purchasing Card Agreement

AGREEMENT TO ACCEPT Albuquerque Public Schools PURCHASING CARD

Albuquerque Public Schools is pleased to issue you the Issuing Bank Purchasing Card account number. It represents Albuquerque Public Schools trust in you and your empowerment as a responsible agent to safeguard Albuquerque Public Schools assets.

I,_____, hereby acknowledge receipt of the Albuquerque Public Schools Purchasing Card Program Policies and Procedures manual. I agree that I have thirty days to read and understand the terms of the Policy and Procedure manual. I agree to not use the card until I read and understand the terms of the policy. If I do not agree with the terms, I agree to return the unused card to the Program Administrator within the thirty day period. As a cardholder, I agree to comply with said document and understand that Albuquerque Public Schools is liable to Issuing Bank for all ORGANIZATION approved purchases.

I agree to use the Purchasing Card for ORGANIZATION approved purchases and agree not to charge personal purchases. I understand that Albuquerque Public Schools will audit the use of the card and report anydiscrepancies.

I further understand that improper use of the card will result in a security investigation which may lead to disciplinary action, up to and including prosecution and termination of employment. Should I fail to use the card properly, I authorize Albuquerque Public Schools to deduct such amount from my salary and accrued benefits equal to the total amount of unaccountable expenditures. I also agree to allow Albuquerque Public Schools to collect any amounts owed by me even if I am no longer employed by Albuquerque Public Schools.

In the event that the Purchasing Card is not used as herein stated, I hereby authorize Albuquerque Public Schools to release my last known address and any information relating to my use of the card to Issuing Bank. I understand that Albuquerque Public Schools may terminate my right to use the card at any time for any reason. I also agree to return the card to Albuquerque Public Schools immediately upon request or upon termination of employment or change in APS assignment.

CARDHOLDER

Signature_____ **Date**: _____

PROGRAM ADMINISTRATOR

I acknowledge that the above cardholder has been issued Albuquerque Public Schools Purchasing Card account number_____.

Signature_____ **Date**: _____

Appendix-B

Frequently Asked Questions

What is a purchasing card?

A purchasing card is a credit card.
What makes it a purchasing card is the District controls the types of businesses where the card can be used.

How do you request a purchasing card?

Go to www.aps.edu/finance/accounts-payable, under documents there is a form called Purchasing Card Request Form. Fill this out and send it to the correct department administrator on the bottom of the form.

How many cards may a school request?

The number of cards per school depends on the school's needs and ability to control access to the cards. This determination will be made by the Program Administrator.

Why does an individual's name need to be on a card?

Without a name on a card the District would not be protected by the $50.00 fraudulent use limit provided by federal law. The cards will be issued in the name of the Principal or Director only. Based on need, managers may be issued a card with special approval.

How are the card transactions accounted for?

Each month the card holder will receive a statement from Issuing Bank showing all the transactions on the card for that month. The reconciler logs into the Bank system program with the User ID and password given at the time of training. The statement is reconciled with the corresponding Lawson requisition number. Once this is completed the Approver (Card Holder) confirms the reconciled transactions and the statement is sent to the P-Card administrator who completes a 100% audit.

Is there a limit to how much can be charged to a card?

Yes, each card has a transaction limit of $1,000.00 and a monthly purchase limit of $5,000.00.Schools and departments will need to institute procedures to control access to the card(s) and authorization of how much can be spent by an employee when the card is issued to them.

Can spending limits be increased?

In cases where the District will be granted significant savings for fast payment of an order or volume discounts, the Executive Director of Procurement may approve a temporary increase in the limit which should be requested via email. Controls should also be in place to ensure the funds have not been depleted by earlier expenditures.

Can a card be used by an individual other than the cardholder's name appearing on the card? Yes, when cards are issued, recommended procedures are provided for these purposes. See appendix C.

Appendix- C

Authorization Form Letter to Vendor

SCHOOLS LETTER HEAD

Date:

TO WHOM IT MAY CONCERN:

Jane Doe is a (teacher/employee) at (Name of School/Dept.) and has permission to use the purchasing card issued to (Principal's or Director's name), the (Principal/Director) of (Name of School).

You may ask for photo identification to verify if necessary.

Sincerely,

Name and Signature of Cardholder

Procurement Card Purchases

Never Allowed

- Alcohol
- Airline Upgrades/Early check –in/Early boarding
- Airline baggage fees (reimbursable to travelers
- Air BNB
- Cash Advances
- Chemical/Weed Killer, Bug Killer products
- Computers, IPads, laptops, tablets, Chromebooks, electronic devices, monitors, etc.
- Donations/Gift cards
- Decorations
- Employee gifts (greeting cards, flowers, etc.)
- Food pick-up fees
- Gross receipts tax on goods/items
- Hotel Room Upgrades
- Meals when on travel (reimbursable to travelers)
- Personal items/services
- Store Memberships (Costco, Sam's Club, etc.)
- Taxi, Uber, shuttle (reimbursable to travelers)
- Travel Providers: Expedia, Travelocity, etc.

Allowed with Limitations and Prior Approval

- Apparel – customized t-shirts, polo shirts, etc.
- Books such as: Scholastic, Barnes & Noble
- APS vehicle car washes
- Entertainment Field Trip Venue (Isotopes, Soccer, Main Event, etc.)
- Equipment/furniture
- Finger printing services
- Food – with approved CFO Food memo
- Punch Out Vendors – Staples, Lakeshore, Shamrock
- Promotional Items (novelty items, giveaways)
- Travel Expenses with Approved Travel Approval Number (TAN) including: conference (event), airfare, and lodging
- Services
- Software Subscriptions or Licenses
- Expenditures over limits ($1,000 per transaction and $5,000 monthly limit).

Allowed

- Advertising in print media
- Student Bus Transportation
- Non-travel conference, seminar, workshop
- Educational/Instructional field trip venue (zoo, museum, aquarium, etc.)
- Professional Association Memberships (NMASBO, Etc.)
- Food for Culinary classes
- Fuel –APS Vehicle and/or Rental Car on travel only for District business
- M & O tech position certifications
- Newspaper subscriptions
- Parking – APS vehicle for APS District Business
- Supplies for urgent use (non-punch out vendor) – less than $1,000 for total purchase

Appendix-E

Lawson Financial System Process:

1. Create requisition in RQC within 1 business day after purchase is made.

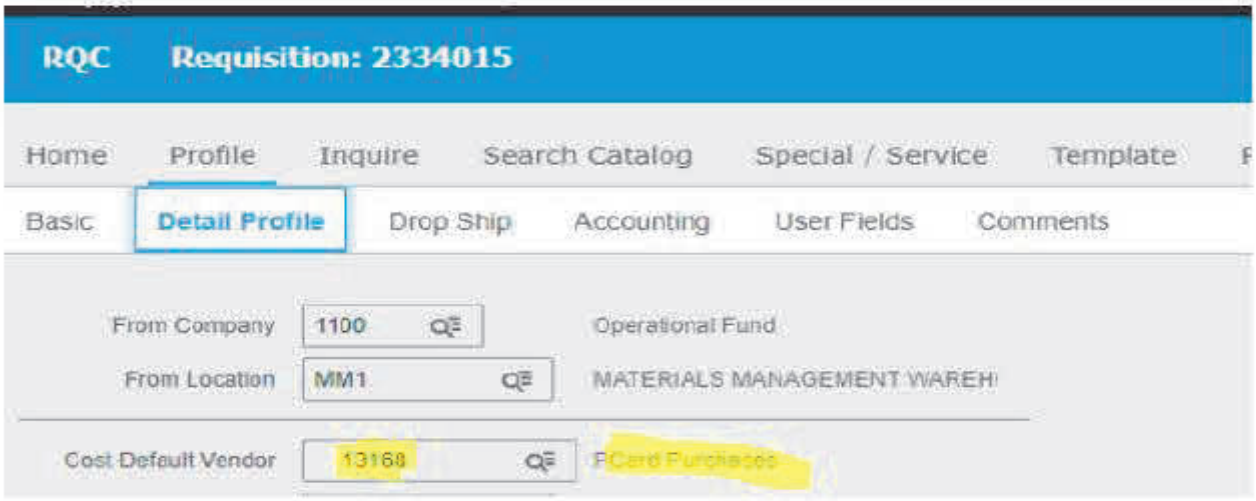
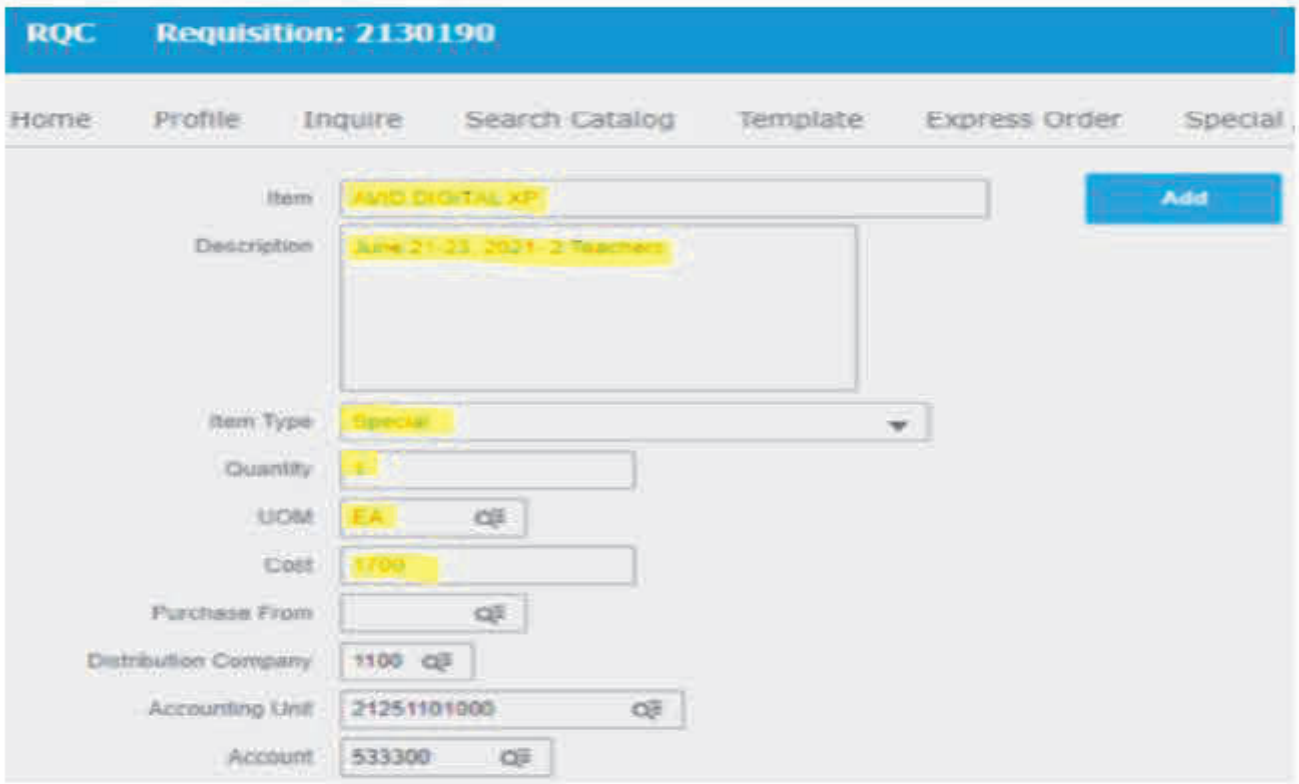
2. Enter as a “Special” in RQC

3. Use Vendor Number 13168 – PCard (Always use this vendor number)

    - Item – Enter Name of Vendor the purchase is from (Example: Southwest Airlines)
    - Description – General description of what is being purchased (Example: Flights for Conference)
    - Item Type – Special
    - Quantity – 1
    - Unit of Measure: ea
    - Unit Cost – Actual total cost of purchase (the amount on the receipt) even if tax was included.

Important: Do not forget to release your requisition!! Follow your purchase to ensure all requisition approvals are obtained.

4. Documentation
    - Attach all documentation in Attach It before releasing requisition for approvals.
    - Label documents as requisition number +Q
    - Keep vendor itemized receipt for bank reconciliation
    - For Grants: Attach justification of purchase form in Attach It
    - Label it as requisition number + G

**If purchase requires multiple expense accounts, itemized lines may be required.
** Contact Business Systems for any questions regarding requisition entry.

Example of Requisition: