



VIRTUAL PREPARATORY ACADEMY PURCHASING CARD POLICY

The Board of Education (the “Board”) of the Virtual Preparatory Academy of Oklahoma (the “School”) adopts this policy to ensure full transparency and accountability for the use of Purchasing Cards by School employees. All purchases made using any Purchasing Card (i.e., credit card, debit card, etc.) (the “PCard”) must be for official School business and in accordance with any Board purchasing policy. The Pcard must not be used for personal expenditures regardless of the reason. Unauthorized purchases or misuse of the Pcard may render the individual employee liable for the goods or services purchased and corrective action up to and including termination and/or possible criminal charges. Prior to any purchase using the PCard, the Head of School shall authorize the expenditure in writing.

Failure to provide adequate documentation for a purchase will constitute misuse of the Pcard. Adequate documentation consists of at least one of the following documents (referred to hereafter in these guidelines as the “Receipt”):

- Original itemized invoice on company letterhead
- Cash register Receipt (itemized)
- Printed on-line order form (itemized)
- Facsimiles of itemized order form (faxed from company)
- Handwritten itemized voucher from vendor describing items purchased and including the vendor’s original signature, phone number, address, and tax identification number.

In addition to the Receipt, the School employee shall provide proof of delivery (“POD”) to the School of the items purchased with the PCard. POD is an acknowledgement that an order was successfully arrived at the School. POD is a physical document signed by a School employee other than the employee that placed the order to confirm the items ordered were delivered to the School.

If an original sales slip/invoice (e.g., Receipt) and the POD is not available at the time of statement reconciliation, then the School is not liable for the purchase and will ask for personal reimbursement for the charge from the employee that placed the order.

Prior to use of a PCard, the employee must sign the Agreement Form. This form states that the employee accepts the responsibility for the protection and proper use of the Pcard. If procedures are not followed leading to unauthorized use of the Pcard, the employee will be held responsible for any cost to the School.

UNALLOWABLE PURCHASES:

The PCard must not be used for personal expenditures, regardless of the reason. The Pcard cannot be used for ATM (Automatic Teller Machine) withdrawals or cash advances. Other items not allowed for PCard purchase are:

- Capitalized equipment
- Controlled substances (including alcohol and tobacco)
- Gasoline (other than for a rented, School owned vehicle, or strict School purposes)

- Meals (on an individual basis or during travel for which you will be receiving per diem)
- Telecommunications services and personal calls
- Recurring charges (e.g., subscription fee, annual renewal)

PURCHASING CARD POLICY (continued)

CHECK OUT PROCEDURES: PCards will be always kept in a secure location when not checked out to an employee. The Director of Operations shall be custodian of all PCards and shall log out any PCard. Additionally, purchase order number(s) for the intended order must be provided when checking out a PCard. Only personnel designated by Head of School are allowed to make purchases with a PCard.

ALLOWABLE PURCHASES:

General: All purchases for official School business are allowable if they meet the School's Board policies, to include the purchasing policy, and if approved by the Head of School or the Director of Operations. Every effort should be made to obtain the best pricing possible for the School. School employees shall not pay sales tax for purchases using the PCard.

Travel Expense: The PCard may be used for certain authorized travel expenses which are consistent with the School's travel policy. Purchase orders for each vendor/expense must be in place prior to travel.

1. Overnight lodging at a commercial facility: Allowable charges include room and hotel parking charges when itemized on the original lodging Receipt. Required documentation: Itemized original lodging Receipt. NOTE: Unauthorized charges on the bill such as movies, meals or personal calls must be balanced out before charging the remainder to the Pcard.

2. Rental cars and related gasoline charges: Allowable charges include actual and reasonable rental charges and gasoline costs (not to exceed the cost of using a personal car at the School's mileage rate). Required documentation: Original rental car and gasoline Receipt. NOTE: As a rule, gasoline cannot be charged on your Pcard except for rental, use of School owned vehicles or for specific School purposes.

3. Transportation: Allowable charges include actual charges for airline, train, or other public carriers. Tickets must be issued in the name of the individual traveling.

Internet Purchases: The Pcard may be used on the internet. When purchasing via internet, know your merchant, be sure that you are using a "secured" site, print your order form before and after making payment, print any confirmation email, make sure your purchase is tax exempt, and always obtain Receipts for your purchases.

STATEMENT RECONCILIATION PROCEDURE

Receipts/Invoices: Receipts and invoices shall be turned in to the Director of Operations by the employee placing the order within three (3) days of making the purchase. The employee who made the purchase will sign the receipt/invoice to approve the goods/services as necessary for School purposes and shall also provide a POD signed by a different School employee. The purchase order number should be written on the receipt. Please attach smaller Receipts to an 8 ½ x 11 sheet of paper. You may attach more than one Receipt to a sheet if they are on the same Purchase Order.

Processing the Statement: Upon receipt of a monthly statement, the Encumbrance Clerk will reconcile the Receipts to the statement and provide that reconciliation to the Treasurer. Reconciliation will include determination of how each expense on the monthly statement should be coded for Oklahoma Cost Accounting System purposes. Any missing Receipts will be matched to the check-out log, and the employee responsible contacted immediately to obtain the Receipt.

PURCHASING CARD POLICY (continued)

POTENTIAL PROBLEMS

Declined Sales: If your purchase is declined at the point of sale and you believe that an error might have occurred, you should call the toll-free number on the back of the Pcard. The customer service representative will advise you if you have exceeded the monthly or individual transaction dollar limits assigned to your Pcard. Occasionally the decline may be the result of a system error at the Bank. In that case, request the vendor to contact the Bank using the 1-800 number on the back of your Pcard. A Bank representative can authorize the transaction verbally or by phone. If the purchase is an emergency and is needed immediately, contact the School's Director of Operations or designee to authorize the transaction immediately with the bank. Once the Director of Operations or designee has authorized the purchase, then the Pcard can be used again.

Card Refusal: Occasionally you may want to make a purchase from a supplier who does not accept PCard. Although School cannot require a supplier to accept School's Pcard, you may wish to advise the Director of Operations. He / She can contact supplier and provide them with information regarding Pcard program and encourage supplier to consider accepting Pcard for payment of our small dollar purchases.

Returns for Credit: Credits to your Pcard must be issued through the card. When you return goods that were originally purchased on a School Pcard, a credit slip must be processed by the supplier to credit your Pcard. This process ensures that your monthly statement will not be paid "short" by Accounts Payable.

Note: If a purchase is made using the Pcard and you return goods to the supplier, you must not accept cash or a due bill for the credit amount. All credits MUST be back to the card account.

Duplicate Payments: Inevitably, situations will arise which result in a duplicate payment of a transaction. Due care exercised by every employee involved in a procurement Pcard transaction should help ensure this occurs as infrequently as possible. Make sure travel related expenses that were paid with the Pcard are not turned in for personal reimbursement. They should be listed on the travel reimbursement form as expenses incurred. An employee must NEVER request reimbursement for expense they did not pay personally. Doing so can result in disciplinary action.

Name on Card: You are to only use a PCard that is in your individual name. An employee using a PCard that is in the name of another individual may be personally responsible for the charges.

Reward / Points: Any rewards or points accumulated by the use of the PCard are for the sole benefit of the School and no employee shall claim any rewards or points arising from the use of a PCard. The PCard rewards may be used for the benefit of School staff or student events. The use of PCard rewards shall be documented and approved by either the Head of School or Director of Operations.

Delivery: Items purchased for the School using the PCard shall be delivered to the School and shall not be delivered to any other address, to include the home address of an employee. Any exception to this delivery requirement shall be in writing and pre-approved by the Head of School or Director of Operations.

PURCHASING CARD POLICY (continued)

DISPUTE RESOLUTION

Employee/User: If the employee validates a charge on your statement for which they have no documentation, the employee should try to have the vendor provide a duplicate Receipt. If none can be obtained, the user is required to refund the charge to the School.

Vendor: If employee does not validate charge, contact vendor, and try to obtain copies of the basis for the charge. If vendor agrees to issue a credit, this must be as a transaction to be processed on your Pcard account for your next monthly statement. You must obtain documentation of this credit from the vendor.

Returns: If a purchase is made using the Pcard and you return goods to the supplier, you must not accept cash or a due bill for the credit amount as this constitutes fraud against the School. All credits issued for purchases previously made on the Pcard MUST be credited back to the account by the supplier.

Transaction Dispute Form: If you are unable to resolve the discrepancy with the vendor, you should contact the Director of Operations to assist you in resolving the dispute. You may be requested to complete a Transaction Dispute Form which the Director of Operations will send to the Bank on your behalf. It is important for you to keep a copy of the complete dispute form for your records.

ACCOUNT MAINTENANCE

Employee Termination: If an employee's employment with the School is terminated, any Pcard in their possession must be returned to the Director of Operations or designee and their account must be canceled.

Lost or Stolen Card: If a Pcard is lost or stolen the employee must immediately notify the Director of Operations. The Director of Operations will notify the bank upon report of the compromised Pcard.

Remember: Fraudulent use or misuse of the Pcard will result in revocation of Pcard use privileges. The School will seek restitution for any inappropriate charges made to the account.

REMINDER: FRAUDULENT USE OR MISUSE OF A SCHOOL PURCHASING CARD WILL RESULT IN REVOCATION OF PCARD. SCHOOL WILL SEEK RESTITUTION FOR ANY INAPPROPRIATE CHARGES MADE TO THE ACCOUNT.



Virtual Preparatory Academy

PURCHASING CARD USER AGREEMENT

The School is pleased to provide you with use of a Purchasing Card (“PCard”). The PCard represents the School’s trust in you and your empowerment as a responsible employee to safeguard and protect its assets. Your signature below indicates your acceptance of this responsibility.

I, _____, hereby agree to comply with the terms and conditions of this Agreement and the PCard Policy. I acknowledge receipt of the Policy and confirm that I have read and understand its provisions. I will comply with the terms and conditions, and those of any subsequent revisions. I understand that the School is liable to the credit card company and bank for all Pcard charges made by me.

I understand that a purchase order must be in place before any charges can be made against the Pcard. It is State law as well as Board policy to encumber funds before purchasing. I understand that I may purchase ONLY what is specified on the purchase order and ONLY from the vendor on the purchase order and MAY NOT EXCEED the amount of the purchase order. Any deviation requires a new purchase order.

I understand that it is my responsibility to ensure purchases are charged as sales tax-exempt. I understand that I am personally responsible for obtaining all receipts and credit documents and submitting them in accordance with district purchasing and payment procedures. I also understand that I am responsible for providing proof of delivery documentation.

I understand that the Pcard is the property of the School, assigned to me for use in my role as an employee of the School and that, in the event of willful or negligent default of these obligations, the School will take any recovery action deemed appropriate that is permitted by law.

As a user of a Pcard, I agree to accept responsibility for the protection and proper use of the Pcard as outlined in this Agreement and the Policy. I understand that any purchases made by me will be reviewed for appropriateness of the purchase, consistency with the purchase order, and compliance with the employee user agreement. Further, I acknowledge that I have personal liability for any inappropriate purchase(s) made with the PCard issued to me. Should the Pcard be lost, stolen, or compromised in any manner, I shall immediately advise the Deputy Superintendent of Finance or designee.

I understand that failure to follow any of the above listed terms and conditions or misuse of the PCard in any manner may result in (a) revocation of the privilege to use the Pcard, (b) disciplinary action, (c) termination of employment, and/or (d) criminal charges filed with the appropriate authority.

I hereby accept the above terms and conditions for Pcard(s) checked-out to me. This agreement does not expire and covers each instance a PCard is checked out to me.

Signed: _____

Printed Name: _____

Date: _____