

**Gilbert Community School District
Procurement Card Program Manual
Effective September 2023**

Executive Summary

Purpose: Use of Procurement Cards is a cost-effective way to reduce the administrative costs associated with making frequent and low dollar purchases. The purpose of the Procurement Card program is to provide a cost effective purchasing tool to authorized District staff to efficiently and effectively expedite the purchasing process. Procurement cards will be made available to employees based upon need as determined by the appropriate District Administrator and the Procurement Card Administrator.

As the District's needs change and usage continues to grow it may be necessary to revise or supplement a portion of the Procurement Card Program Manual from time to time as deemed appropriate. If questions arise in the meantime, please contact District Accounting Specialist and Procurement Card Administrator, Katie Enfield by phone or e-mail. Please see contact information listed below.

Procurement Card Administrators

Katie Enfield

515-232-3740 (office)

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Procurement Card Administration: It is essential that effective internal controls are in place to provide assurances to the Board of Education and the school community at large, that the Gilbert Community School District is managing a program of fiscal integrity at the highest level with emphasis on responsible stewardship of public funds.

Effective administration of the Procurement Card program is critical in maintaining a program of integrity. It is reliant on the responsible actions of all District staff who are involved in the program as listed below.

- ❖ The Procurement Card Administrator will have overall District responsibility for the Procurement Card program and will be responsible for all day-to-day operations of the program.
- ❖ The Business Office will be responsible for review of the Procurement Card program at the transaction level. All card activity is reviewed for appropriateness.
- ❖ The Procurement Card user and user's direct supervisor bear responsibility for appropriate use and oversight.

Related Policies: These guidelines are intended to work in conjunction with other relevant District policies including, but not limited to:

- ❖ Purchasing-Bidding – Board Policy Code No. 705.01
- ❖ Credit and Procurement Cards – Board Policy Code No. 705.02
- ❖ Payment for Goods and Services– Board Policy Code No. 705.03
- ❖ Employee Travel Compensation – Board Policy Code No. 401.07
- ❖ Request for Released Time/Professional Leave Form (AESOP/Frontline)
- ❖ Individual Procurement Card Use Agreement (Appendix A-1 and A-2)

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- ❖ Statement of Authority (Appendix B)

The Procurement Card Program Manual, as well as all related policies above, is available on the District Website at: <https://gilbertcsd.org/district/staff-resources/>

Guidelines

It is the intent of the District's Procurement Card program to establish a set of operating rules, guidelines, and procedures to minimize instances of card misuse and maximize its benefits to the organization. It is incumbent upon all employees who wish to maintain their privilege of using the District Procurement Card that they act as good stewards of public funds. These program guidelines govern the process by which Procurement Cards are issued, utilized, and processed. These guidelines also detail the responsibilities of the cardholders, supervisors, and management in ensuring that all Procurement Card transactions are appropriate, authorized, and recorded in a timely manner.

Issuance

Issuance of a Procurement Card will be initiated by the potential cardholder's supervisor and approval of the Procurement Card Administrator (Appendix E) and will require employee training and a signed **Individual Procurement Card Use Agreement** (Appendix A-1). A Procurement Card may be checked out from the Business Office upon request of the employee's supervisor on short-term basis – 10 days or less for travel etc. (Appendix F). Checking out a Procurement Card will require employee training and a signed **Individual Procurement Card Use Agreement** (Appendix A-2).

Procurement Card Limits and Restrictions

Procurement card limits have been determined on an individual basis with the input of the employee's supervisor as documented on the Statement of Authority (Appendix B). Purchases are not to be split into multiple transactions in order to circumvent single transaction limits.

To increase limits after a card has been issued, the card holder's direct supervisor must contact the Procurement Card Administrator. For specific transactions or events, limits can be increased on a temporary basis by contacting the Procurement Card Administrator and providing the specific information.

Acceptable uses

- ❖ Office supplies
- ❖ Professional/Educational subscriptions
- ❖ Educational supplies
- ❖ Books
- ❖ Instructional games and classroom activities
- ❖ Professional education or training seminars
- ❖ Buildings and Grounds cardholders: Maintenance supplies, repairs, & services
- ❖ Travel related expenditures (Do **not** use the Procurement Card to refuel personal vehicles. Do not use Procurement Card for spouse or other family travel expenses.)
- ❖ Other instructional related supplies and materials. (No items are to be purchased if available through the other departments. Examples: toilet tissue/cleaning supplies/copy paper)

All Procurement Card users should use Board Policy Code No. 705.01 Purchasing-Bidding (Attachment 1) as a guide for appropriate Procurement Card use. Select a vendor based upon best price, quality and service.

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Employees are expected to compare multiple vendors whenever possible and practical in an effort to ensure that the best value is obtained.

Use of District Procurement Card for Registration Fees and Travel Expenses

- ❖ The Procurement Card may be used for registration fees and travel expenses following guidelines established in Board Policy 401.07 Employee Travel Compensation (Attachment 4) and Request For Released Time/Professional Leave Form (AESOP/Frontline). If the Procurement Card is used to pay for meals when traveling, the District meal limits apply (Attachment 4). **Expenses in excess of District meal limits shall be reimbursed to the District and submitted with the Procurement Card Expense Record.**
- ❖ Meal tax: As long as the total cost of the meal, including sales tax and reasonable tip (not to exceed 20%), do not exceed District established rates as detailed in Board Policy 401.07, the use of the card is acceptable under these circumstances.
- ❖ Detailed original **itemized** receipts with specific costs for all purchases must be attached to the Procurement Card Expense Record.
- ❖ No personal purchases at a hotel: Movie charges, personal phone calls, water, or bar charges should **not** be charged to the Procurement Card.
- ❖ Lodging documentation required: Final check out statement, showing an itemization of all nightly room charges, taxes, and other business related expenses.
- ❖ Airfare documentation required: Itinerary showing routing, dates, class of service, and ticket price.
- ❖ Rental Cars documentation required: Final itemized receipt given upon return of car, showing an itemization of all charges, including daily/weekly rate, refueling charges, etc. The rental agreement given at the time of rental is **not** sufficient. Additional/optional insurance coverage is **not** an allowable charge.

Inappropriate Procurement Card Use and Consequences

The following categories constitute inappropriate use of a Procurement Card:

1. **Personal Use:** Use of District procurement cards to pay for expenditures not specifically related to official school business shall be deemed personal expenditures and are strictly prohibited. There may be instances where separating personal expenditures from approved District expenditures on a vendor-merchant invoice is not possible, or practical. **In those instances, personal expenditures shall be reimbursed to the District and submitted with the Procurement Card Expense Record.**
2. **Use in Violation of Public Purpose:** District funds are to be expended only for legitimate public purposes and not for private personal gain for which services of comparable value have not been rendered to the District. (See details on page 5.)
3. **Failure to Provide Appropriate Documentation:** Each month in which the Procurement Card has been used, each card holder must complete a Procurement Card Expense Record (Appendix C) with itemized receipts/documentation, NO EXCEPTIONS. This report is due to the Procurement Card Administrator by **noon on the 5th of every month**. For checked out cards, a Procurement Card Expense Record with itemized receipts/documentation must be completed and submitted upon return of the card, NO

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EXCEPTIONS. It will be the card holder's responsibility to track down missing receipts/documentation. (See details on page 9.)

CONSEQUENCES

The following consequences will be enforced for inappropriate use of a Procurement Card.

- ❖ **First violation:** The user's card will be placed on hold status and will not be reactivated until all charges have been reimbursed and all appropriate documentation is received. In the case of a checked out card, the user will not be allowed to check out a card again until all charges have been reimbursed and all appropriate documentation is received. The employee's supervisor will be notified.
- ❖ **Second violation:** The user's card or card check out privileges will be suspended for six months. The employee's supervisor will be notified and will be encouraged to provide the employee with a verbal warning.
- ❖ **Third violation:** The user's card or check out privileges will be terminated. The employee's supervisor will be notified. A written reprimand by the supervisor will be put in the employee personnel file.

Loss of Procurement Card privileges includes acting as an approver for other cardholder's purchasing activity.

If an Assigned P-Card Owner allows their Administrative Assistant the use of their card, the owner of the assigned card is responsible for all purchases made on the card. This includes but is not limited to, personal reimbursement of sales tax charged, if not refunded by the vendor. If you would like your building Administrative Assistant to have their own Individual Procurement Card, complete a Procurement Card Issuance Request (Appendix E), and submit to the P-Card Administrator in the Business Office.

Loaning a Procurement Card to any staff member who is not an Administrative Assistant is strictly forbidden. Staff members are able to checkout a District P-Card from the Business Office to make purchases. Staff members are required to make sure all purchases are tax exempt, in the event sales tax is charged, the staff member who made the purchase will be responsible to pay the District for the tax incurred. In the event of violation, the card user's purchasing rights will be immediately terminated. Cardholder's supervisor will be notified. A written reprimand by the supervisor will be put in the cardholder's employee personnel file.

Consequence Appeal Process

In the event that an employee feels that a levied consequence for card misuse can be appropriately defended based upon unique circumstances, the employee has the right to appeal for reconsideration. The employee may request an appeal hearing to defend their position. Please direct all requests for appeals to the Procurement Card Administrator who will arrange for an appeal hearing.

Appeal Hearing: An appeal hearing will include an opportunity for the employee to provide an explanation of the circumstances related to their card usage in question. The Procurement Card Administrator will first state the finding of fact that led to the consequence for card misuse. The employee will then follow with an explanation of the circumstances.

A Procurement Card Appeal Panel composed of the Superintendent, Executive Director, and Central Office Administrator, will have sole voting rights to make the appropriate determination under the circumstances.

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If the member of the Procurement Card Appeal Panel is the employee who is subject of the appeal hearing, then another Administrator will be chosen by the Superintendent to act as a voting member of the Procurement Card Appeal Panel and participate in the decision making process. The number of voting members on the Procurement Card Appeal Panel will be three in all circumstances and be composed of the Superintendent, Executive Director and another member of the Cabinet. The decision of the Procurement Card Appeal Panel shall be final.

Detail regarding Procurement Card use in violation of Public Purpose:

All funds received by the District are considered public funds and must be used to support the educational mission of the District. The best test to use when determining whether the expenditure is appropriate is called the “public scrutiny test.” The test is simple and merely asks whether the tax-paying public would view the expenditure as necessary to support public education. **If you are already questioning whether the expenditure is appropriate, it may very well not be appropriate.** Contact the Procurement Card Administrator if you have any questions about appropriate expenses.

This section identifies specific practices and procedures to be followed by all District employees when using public funds. The following list is intended to provide examples and may not be all inclusive.

I. Food and Refreshments

A. Alcohol or Tobacco

The purchase of alcohol or tobacco is never an acceptable use of public monies.

B. Meetings and Conferences

Meals and snacks are normally a personal expense. Any meal or snack paid for with public funds must be a reasonable price and an integral part of employment duties.

Meals and snacks can be paid for with public funds if:

- ◆ Incurred with overnight travel for school-related business.
- ◆ The meeting is a breakfast, lunch or dinner meeting where attendance during meal time(s) is a requirement of an employee’s job duties. The number of District employees in attendance for this meeting where food is provided must be noted on the receipt. All food receipts must be itemized – this includes catered meals.

C. Coffee and Beverages

Coffee and other beverages are normally a personal expense. A voluntary collection can be made from those who desire to have coffee and other beverages in the school/department. Except for meetings and conferences (Item B), public areas (Item G), and School Board meetings (Item H), coffee and beverages shall not be purchased with public funds.

D. Employee Break Room Supplies

Public funds should not be used to stock supplies such as plastic ware and paper products in employee break rooms. A voluntary collection can be made from those who desire to have such supplies.

E. Individual Receptions

Receptions for individual employees should never be paid from public funds. This includes retirement dinners, staff meals, welcome aboard receptions, and similar gatherings where food

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and/or refreshments may be served. Voluntary collections can be taken from those attending such gatherings.

F. Acceptable Occasions

The School Board and/or Superintendent may determine that the serving of food or refreshments is appropriate for selected occasions.

G. Public Areas

In some cases, a building or part of a building is routinely open to the public for conducting District business. The Superintendent's Office and school principals' offices are such locations. Having refreshments of nominal value available to members of the public, such as coffee and other nominal snacks/beverages, are considered a courtesy and are authorized in these specific locations. These snacks/beverages should not be generally available for staff.

H. School Board Meetings

The School Board meets at a time that is intended to be convenient for the general public. Having refreshments of nominal value available to members of the public, such as coffee and other nominal snacks/beverages, are considered a courtesy and are authorized in these specific locations.

I. Student Incentives

Incentives purchased for qualifying groups of students from public funds as part of an initiative, program, or recognition (example: rewards, honor roll) shall be of nominal value and authorized by the school principal.

II. Gifts

A. Employee Gifts

Expenditures of public funds for gifts to staff and employees are not authorized. This includes gifts purchased for staff birthdays or other personal occasions. Voluntary collections from staff would be an acceptable way of purchasing employee gifts.

Gift Cards/Certificates and Cash

Gift Cards, Certificates and Cash are not an allowable expense. School districts cannot purchase gift cards, certificates or cash for volunteers as the School Board is not able to audit the final purchase as required by 279.29 Code of Iowa. This includes movie passes, coupons for free merchandise, etc. This applies to both the General and Student Activity funds. Both funds are district funds and must meet the criteria of being used for a "public purpose."

B. Tokens/Clothing

The purchase of tokens of appreciation, or personal clothing (example: coffee mugs, pens, tote bags, T-shirts/apparel, etc.) is not authorized.

Gift Law

The gift law applies to all public employees. The gift law prohibits a public employee or that person's immediate family member from accepting or receiving, directly or indirectly, any gift or series of gifts from a "restricted donor." A restricted donor is defined in the law as a person or

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company who is or is seeking to be a party to a sale, purchase, lease or other type of contract with the employer of the public employee.

Scenario #1: A clothing company contacts an activities director and coaching staff with a deal for their school. To get the AD and coaches to recommend the company to the Superintendent and school board members, the company wants to give clothing to the AD and coaches.

Scenario #2: A curriculum publisher contacts the math department of a district and offers free DVD players to the teachers if they can get their building Principal to recommend the company to the Superintendent and school board members.

The Reality: Iowa's gift law (Iowa Code Chapter 68B) prohibits the above conduct. Thus, in the scenario of the clothing company, the publisher, and all of their representatives are restricted donors. They want a contract with the school district. They want to sell goods to the district.

There are some exceptions to the prohibitions in the gift law. The ones that would most commonly occur regarding school employees are as follows:

- Non-monetary items with a value of three dollars or less that are received from any one donor during one calendar day.
- Informational material relevant to a public employee's official functions, such as books, pamphlets, reports, documents, periodicals, or other information that is recorded in a written, audio, or visual format.
- Anything available or distributed free of charge to members of the general public without regard to the official status of the recipient.

The consequences for violating the gift law are severe. A person who knowingly and intentionally violates the gift law may be punished in **ALL** of the following three ways:

- Both donor and recipient are guilty of a serious misdemeanor. Serious misdemeanors are punishable by up to one-year incarceration and a fine between \$250 and \$1,500, plus a 30% surcharge and court costs.
- The gift law specifically gives the public employer permission to fire the employee who takes a gift in violation of this law.
- Finally, violation of the gift law is a violation of the Board of Educational Examiner's Code of Ethics. Therefore, the public employee who is also licensed by the Board of Educational Examiners could lose his or her license.

III. Flowers

A. Sympathy and Congratulations

The use of public funds for the purchase of flowers is restricted to the few occasions where a public expression of sympathy or congratulations has been determined by the School Board or the Superintendent to be in the best interests of the District. Personal donations can be made in lieu of flowers if requested by the family. Written expressions of condolence are encouraged for all other occasions where flowers are not appropriate.

B. Individual Achievements

Unless they are part of the award ceremony, flowers are not appropriate for individual achievements. Graduations have been an exception to this provision.

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C. School Activities

Flowers/decorations purchased for proms, dances, homecomings, etc., may be purchased out of school activity funds, if authorized by the school principal.

IV. Awards and Recognition

A. District Awards and Recognition

At times, awards or tokens of recognition are appropriate for presentation to District staff in recognition of service. District awards or tokens of recognition shall be determined by the School Board and/or the Superintendent or designee in advance and shall be paid for with "central" District funds under the control of the Superintendent or designee. Public funds should not be used for the purchase of department or building level staff awards or tokens of recognition.

B. External Awards and Recognition

At times, awards are appropriate for presentation to people (example: volunteers) or organizations external to the District. External awards or tokens of recognition shall be determined by the School Board and/or Superintendent in advance.

V. Break Room Equipment

Microwaves, refrigerators, coffee pots, toaster ovens and other similar equipment items may be procured with public funds for use in public reception areas and employee break rooms. Otherwise, these items must be purchased with personal funds. In all instances, all fire marshal safety restrictions must be observed.

VI. Holiday Parties, Decorations and Cards

A. Holiday Decorations

Office holiday decorations shall not be purchased with public funds.

B. Holiday Cards

Holiday cards shall not be purchased with public funds.

C. Holiday Parties

Staff holiday parties and meals are a personal expense. Voluntary collections may be taken to fund holiday events. Public funds shall not be used for holiday parties.

VII. Student Activity Funds

Student Activity Funds are public funds and are to be used to finance a program of co-curricular school activities supplementing, but not replacing, the activities provided by the District. Student Activity Funds are derived from the student body as a whole and shall be so expended to benefit the student body as a whole.

Detail regarding incomplete receipts or no receipts:

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Each month in which the Procurement Card is used, all Cardholders must remit a Procurement Card Expense Record to the Business Office with attached detailed original itemized receipts by **noon on the 5th of Every Month**, NO EXCEPTIONS. All Employees who check out a Procurement Card must remit a Procurement Card Expense Record to the Business Office upon return of the card, NO EXCEPTIONS.

Detailed original **itemized** receipts with specific costs for all purchases must be attached to the Procurement Card Expense Record. An acceptable receipt must include the vendor name, date, dollar amount, and description of items purchased. Receipts for meals should always include the number and names of staff served. If a detailed original itemized receipt is not obtained, the cardholder must complete a P-Card Missing Receipt Form, which is available from the Business Office. **Missing receipts is cause to terminate card privileges.**

The Purchasing Process

How To: Make a Purchase

The Procurement Card may be used to purchase goods/services in person or on the Internet (**see Internet Guidelines**).

1. Determine if the purchase is appropriate for a Procurement Card transaction and within your dollar limits.
2. Select a vendor based upon best price, quality and service. **It is incumbent upon all employees who wish to maintain their privilege of using the District Procurement Card that they act as good stewards of public funds.** Employees are expected to compare multiple vendors whenever possible and practical in an effort to ensure that the best value is obtained.
3. **Sales Tax Exempt Purchases:** State that you are with Gilbert Community Schools, that you will be using a MasterCard and that the District is **sales tax exempt**. If the vendor requests the tax-exempt number, it is **42-6001825** and is printed on the Procurement Card. If the vendor requests a tax-exempt certificate, they can request it directly from the Business Office at 515-232-3740. **If taxes are charged, the Cardholder is responsible for contacting the vendor and requesting a credit.** If the vendor will be issuing a credit transaction, state this on the receipt and when the credit should be posted. **Always check the receipt before leaving the store.** If tax has been charged, the transaction will need to be canceled and reissued. Cash refunds are strictly prohibited. Keep both receipts for verification to attach to your Procurement Card Expense Record.

Until all sales tax charged to your Procurement Card has been credited or personally reimbursed, your Procurement Card will be placed on hold. When the credit receipt or the personal reimbursement has been received by the Business Office, Procurement Card privileges will be reinstated.

4. Clearly define your purchase requirements, determine availability, agree on a price (including shipping and handling costs) and order the item(s).
5. Give the vendor the Procurement Card number and expiration date, as well as your name, your school/department and complete delivery address.

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6. Obtain a receipt. Detailed itemized receipts with specific costs for all purchases must be attached to the Procurement Card Expense Record. An acceptable receipt must include the vendor name, date, dollar amount and description of items purchased. The following items, listed in priority order, will serve as a receipt.
 - Invoice
 - Register Receipt
 - Web Page Print Out
7. Record the transaction on the Procurement Card Expense Record (Appendix C).
8. Create a Purchase Order. A purchase order with BMO as the vendor will be completed as soon as the purchase has been completed.

When receiving a shipment, it is the Cardholder's responsibility to promptly inspect the shipment to ensure that the order is complete and that the items are in an acceptable condition. Any visibly damaged goods should not be accepted. Suspected damaged goods should be noted on the packing slip and/or bill of lading.

All packing slips and/or bills of lading should be retained as part of the purchase transaction documentation. The date items are received should be recorded on the packing slips and/or bills of lading to ensure expenditures are recorded in the correct fiscal year.

Internet Guidelines

Cardholders must exercise discretion in selecting Internet vendors that are reputable in order to minimize the possibility of fraud. All guidelines apply to Internet purchases. Do not give out your Procurement Card number online unless you have read and understand the vendor's privacy statement, disclaimer, warranty, terms and conditions. This will allow the Cardholder to understand the vendor's policies on purchases, deliveries, returns, etc. and provide an additional layer of protection for both the Cardholder and the District.

Do not purchase subscriptions that automatically renew.

Prior to entering the Procurement Card number onto an Internet website, the Cardholder should ensure that the site is secure. To identify whether an Internet website supports secure transmissions, the URL identifying the current page will always begin with https:// ("s" stands for secure) in lieu of the normal http://, and a secure symbol (solid key or closed yellow lock) will be displayed on your Internet browser. The https and secure symbol may not appear until you are at the checkout screen. All relevant information should be printed from the ordering screens if available, recorded on the Procurement Card Expense Record and handled in the same manner as telephone purchases.

An acceptable receipt and/or invoice for an internet purchase includes vendor name, date, dollar amount, description of item(s) and payment type. You may receive this receipt and/or invoice immediately following the submission of your order or it may be sent to you via e-mail at a later date.

Please be aware that not all vendors are the same. You may need to contact the vendor directly in order to obtain a complete receipt and/or invoice. Order confirmations are not a guarantee of the final purchase and are NOT an acceptable receipt and/or invoice.

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Amazon for Business – The District participates in the Amazon for Business service. All orders must go through our central account and will be placed through the Business Office. **Do not use assigned or checked out credit cards to purchase from Amazon. Any purchases from Amazon that are not through our central account will be the financial responsibility of the card user.**

If you have placed an online order with a vendor and any of the following take place:

1. You do not receive the order within a reasonable amount of time after the promised delivery date (generally one week) and you are unable to contact the vendor.
2. The phone number on the website is no longer in service.
3. The vendor goes out of business.

Call BMO Harris Bank Customer Service at 800-263-2263 immediately to determine if cancellation of your Procurement Card is necessary. The Cardholder will receive assistance from BMO Harris Bank and/or Procurement Card Administrator in processing the dispute. If your Procurement Card has been cancelled, contact the Procurement Card Administrator to obtain a replacement.

How To: Handle Returns or Exchanges

The Cardholder is responsible for managing any returns and exchanges directly with the vendor and for ensuring that the proper credit is received from the vendor for returned merchandise.

1. Cash refunds are strictly prohibited. Any credits or returns MUST be handled as a credit transaction on a subsequent BMO Harris Bank statement. Contact the vendor directly and obtain instructions for returns and exchanges.
2. Return or exchange the item in person at the store or ship it.
3. Log the return or exchange on your Procurement Card Expense Record. Include as much detail as possible. (i.e. Return Merchandise Authorization (RMA) Number, tracking number, date shipped etc.)
4. Contact the Business Office to ensure that the Procurement Card account is properly credited.
5. Credits must be reconciled the same as any charge in the month in which the credit was received. If an item was returned to the vendor, but the credit will be applied to the next billing cycle, the item must be charged to the expense code for the current billing cycle. The charge will be applied back to this account number once the credit appears.

How To: Handle Disputed Charges

If there is a charge that is not recognized by the Cardholder or if it appears to be incorrect, the Cardholder must seek resolution with the vendor immediately. Common examples of disputes are: goods not received, damaged items, merchandise was returned, duplicate or incorrect charges. Please note the reason for the discrepancy on the receipt. If the problem cannot be resolved with the vendor, call BMO Harris Bank Customer Service at 800-263-2263. When BMO Harris Bank has completed its investigation, the Cardholder will be informed of the resolution and any corrections that were made to their account.

Procurement Card Security

The Procurement Card is District property. Keep your Procurement Card in a secure location and guard the card number against use by unauthorized individuals in the same manner you would safeguard your personal credit card. The only person entitled to use a Procurement Card is the person whose name appears on the face of the card or the person who checked out the card. **Do not lend your card or give the number to another employee to use.** If the Cardholder is expected to be absent for 30 days or more, please notify the Procurement Card Administrator. The card will be inactivated to safeguard the account.

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How To: Report a Lost or Stolen Card

In the event of a lost or stolen card, the Cardholder must notify BMO Harris Bank by calling 800-361-3361 immediately. The Procurement Card Administrator must also be notified. BMO Harris Bank will immediately close the account, transfer account information to a new account number and issue a replacement card. A Procurement Card may also be replaced by calling the Procurement Card Administrator directly.

Employee Leave of Absence, Transfers, Terminations and Retirements

The Cardholder's supervisor must notify the Procurement Card Administrator in writing in the event a Cardholder takes a leave of absence for 30 days or more, transfers to another school/department, is terminated, or retires. In the event of a leave of absence, the card will be put on hold until the cardholder's return. It is the supervisor's responsibility to collect the Procurement Card from transferred, terminated and retired employees. Cut the card in half and forward to the Procurement Card Administrator.

Attachments:

- ❖ Individual Procurement Card Use Agreements (Appendix A-1/A-2)
- ❖ Statement of Authority (Appendix B)
- ❖ Procurement Card Expense Record (Appendix C)
- ❖ Procurement Card Missing Receipt Form (Appendix D)
- ❖ Procurement Card Issuance Request (Appendix E)
- ❖ Request to Check Out a Procurement Card (Appendix F)
- ❖ Purchasing-Bidding – Board Policy Code No. 705.01 (Attachment 1)
- ❖ Credit and Procurement Cards – Board Policy Code No. 705.02 (Attachment 2)
- ❖ Payment for Goods and Services– Board Policy Code No. 705.03 (Attachment 3)
- ❖ Employee Travel Compensation – Board Policy Code No. 401.07 (Attachment 4)

Acknowledgement Pcard Manual

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Use of Procurement Cards is a cost-effective way to reduce the administrative costs associated with making frequent and low dollar purchases. The purpose of the Procurement Card program is to provide a cost effective purchasing tool to authorized District staff to efficiently and effectively expedite the purchasing process. It is essential that effective internal controls be in place to provide assurances to the Board of Education and the school community at large, that the Gilbert Community School District is managing a program of fiscal integrity at the highest level with emphasis on responsible stewardship of public funds.

I acknowledge that I have received the Gilbert School District Pcard Manual and I am responsible for reading, understanding, and following the procedures outlined in the manual.

Employee Printed Name

Employee Signature

Date

Individual Procurement Card Use Agreement

Assigned p-Card

AGREEMENT made this _____ day of _____, between the Gilbert Community School District, Story County Iowa (hereinafter the "District"), and the _____, residing at District Offices (hereinafter the "Employee").

WITNESSETH:

WHEREAS, by this Agreement the Employee has been entrusted with a procurement credit card ("p-Card") for use in the purchase of goods and services solely and exclusively for the authorized business purposes of the Gilbert School District; and

WHEREAS, the Employee agrees to abide by the terms and conditions of the p-Card as set forth herein.

NOW, THEREFORE, consideration of the mutual covenants and conditions set forth herein, it is agreed by the District and the Employee as follows:

1. The Employee hereby agrees to immediately return the p-Card to the District upon request and upon transfer or separation from the District.
2. The Employee shall not use the p-Card for the purchase of any goods or service that is not authorized by the terms of this Agreement or by the direct written approval of the District Accounting Specialist (p-Card Administrator).
3. The Employee understands that the p-Card is to be used only for actual and necessary expenses incurred and approved in the performance of work-related duties.
4. The Employee shall submit receipts and such other reasonable documentation of goods or services purchased by Noon on Wednesday following the week of purchase. Failure to return receipts/documentation will result in the Employee being responsible for the expenses incurred and loss of the use of the p-Card.
5. The Employee shall immediately notify the Bank of Montreal ("Bank") in the event of a possible loss, theft, or unauthorized use of the Card by notifying the Bank by phone at (800) 361-3361 or by fax notice to the Bank at (888) 224-5394. Employee shall also immediately notify the p-Card Administrator of possible loss, theft, or unauthorized use of the Card.
6. Attached herewith and incorporated by reference herein is a *Statement of Authority* of the p-Card use that sets forth the authority and express limits of authority of Employee's use of the p-Card.
7. Utilization of the p-Card must be within annual budget parameters and consistent with applicable Board policies and procedures and State and Federal laws and regulations.
8. The p-Card may not be utilized to circumvent State and District competitive bid laws and policies.
9. Any unauthorized, unallowable, or undocumented purchase will be paid by the employee by check, cash, or salary deduction.
10. Any intentional misuse of the p-Card will result in discipline up to and including termination.
11. The Employee hereby agrees to indemnify and hold harmless the District from any and all claims, liabilities, penalties, damages, attorney fees, interest or expenses incurred by or asserted against the District because of the Employee's intentional misuse of the p-Card in violation of Board policies, procedures and this Individual Procurement Card Use Agreement
12. This Agreement may not be modified in anyway without the approval of the District.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement the day and year first above written.

GILBERT COMMUNITY SCHOOL DISTRICT

By: _____
Superintendent

Attest: _____
p - Card administrator

Employee

Individual Procurement Card Use Agreement
Checkout p-Card

AGREEMENT made this _____ day of _____, between the Gilbert Community School District, Story County Iowa (hereinafter the "District"), and the _____, residing at District Offices (hereinafter the "Employee").

WITNESSETH:

WHEREAS, by this Agreement the Employee has been entrusted with a procurement credit card ("p-Card") for use in the purchase of goods and services solely and exclusively for the authorized business purposes of the Gilbert School District; and

WHEREAS, the Employee agrees to abide by the terms and conditions of the p-Card as set forth herein.

NOW, THEREFORE, consideration of the mutual covenants and conditions set forth herein, it is agreed by the District and the Employee as follows:

1. The Employee hereby agrees to immediately return the p-Card to the District upon request and upon transfer or separation from the District.
2. The Employee shall not use the p-Card for the purchase of any goods or service that is not authorized by the terms of this Agreement or by the direct written approval of the District Accounting Specialist (p-Card Administrator).
3. The Employee understands that the p-Card is to be used only for actual and necessary expenses incurred and approved in the performance of work-related duties.
4. The Employee shall submit receipts and such other reasonable documentation of goods or services purchased by Noon on Wednesday following the week of purchase. Failure to return receipts/documentation will result in the Employee being responsible for the expenses incurred and loss of the use of the p-Card.
5. The Employee shall immediately notify the Bank of Montreal ("Bank") in the event of a possible loss, theft, or unauthorized use of the Card by notifying the Bank by phone at (800) 361-3361 or by fax notice to the Bank at (888) 224-5394. Employee shall also immediately notify the p-Card Administrator of possible loss, theft, or unauthorized use of the Card.
6. Attached herewith and incorporated by reference herein is a *Statement of Authority* of the p-Card use that sets forth the authority and express limits of authority of Employee's use of the p-Card.
7. Utilization of the p-Card must be within annual budget parameters and consistent with applicable Board policies and procedures and State and Federal laws and regulations.
8. The p-Card may not be utilized to circumvent State and District competitive bid laws and policies.
9. Any unauthorized, unallowable, or undocumented purchase will be paid by the employee by check, cash, or salary deduction.
10. Any intentional misuse of the p-Card will result in discipline up to and including termination.
11. The Employee hereby agrees to indemnify and hold harmless the District from any and all claims, liabilities, penalties, damages, attorney fees, interest or expenses incurred by or asserted against the District because of the Employee's intentional misuse of the p-Card in violation of Board policies, procedures and this Individual Procurement Card Use Agreement
12. This Agreement may not be modified in anyway without the approval of the District.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement the day and year first above written.

GILBERT COMMUNITY SCHOOL DISTRICT

By: _____
Superintendent

Attest: _____
p - Card administrator

Employee

Statement of Authority

GILBERT COMMUNITY SCHOOL DISTRICT

Name _____ Position _____

Location: _____

Limit per Transaction: \$ _____

Credit / charge limit of \$ _____ per month / year (circle appropriate period)

Account(s) to be charged:

Authorized Vendors:

Goods and services authorized to be purchased using the district procurement card:

Employee signature _____ date: _____

PROCUREMENT CARD ISSUANCE REQUEST

GILBERT COMMUNITY SCHOOL DISTRICT

Name _____ Position _____

Building/Department: _____

Requested Limit per Transaction: \$ _____

Requested Credit / charge limit of \$ _____ per month

Justification for Issuance of Card

Administrator Signature _____ Date: _____

P-Card Administrator Only

Approved

Denied

P-Card Administrator Signature _____ Date _____

GILBERT COMMUNITY SCHOOL DISTRICT
 REQUEST TO CHECK OUT A PROCUREMENT CARD
 LIMITED TO 10 DAYS OR LESS

I am requesting the following employee(s) be allowed to check out a Procurement Card.

Both I and the employee(s) understand that the employee must checkout the Procurement Card at the Business Office and must sign an Individual Procurement Card Use Agreement before a Procurement Card is issued. Both I and the employee understand that the employee(s) must return the Procurement Card to the Business Office at the end of the requested time and must at that time submit a completed Procurement Card Expense Record with detailed original itemized receipts. Both I and the employee(s) understand that any personal expenditures and/or meals exceeding District daily limits must be reimbursed to the District (make checks payable to Gilbert CSD) when the Procurement Card is returned.

Employee Name	Employee Signature	Date from	Date To	Purpose	Card
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

 Building

 Administrator Name

 Administrator Signature

 Date

Policy 705.01: Purchasing – Bidding

Status: ADOPTED

Original Adopted Date: 06/12/2023 | **Last Reviewed Date:** 06/12/2023

The board supports economic development in Iowa, particularly in the school district community. As permitted by law, purchasing preference will be given to Iowa goods and services from locally-owned businesses located within the school district or Iowa based companies if the cost and other considerations are relatively equal and meet the required specifications. However, when spending federal Child Nutrition Funds, geographical preference is allowed only for unprocessed agricultural food items as a part of response evaluation. Other statutory purchasing preferences will be applied as provided by law, including goals and reporting with regard to procurement from certified targeted small businesses, minority-owned businesses, and female-owned businesses.

Goods and Services

The board shall enter into goods and services contract(s) as the board deems to be in the best interest of the school district. It shall be the responsibility of the superintendent to approve purchases, except those requiring board approval as described below or as provided by in law. The superintendent may coordinate and combine purchases with other governmental bodies to take advantage of volume price breaks. Joint purchases with other political subdivisions will be considered in the purchase of equipment, accessories, or attachments with an estimated cost of \$50,000 or more.

Purchases for goods and services shall conform to the following:

- The superintendent shall have the authority to authorize purchases without prior board approval and without competitive request for proposals, quotations, or bids for goods and services up to \$81,000.
- For goods and services costing at least \$81,001 and up to \$196,000, the superintendent shall receive proposals, quotations, or bids for the goods and services to be purchased prior to board approval. The quotation process may be informal, and include written or unwritten quotations.
- For goods and services exceeding, \$196,000 the competitive request for proposal (RFP) or competitive bid process shall be used and received prior to board approval. RFPs and bids are formal, written submissions via sealed process.

In the event that only one quotation or bid is submitted, the board may proceed if the quotation or bid meets the contract award specifications.

The contract award may be based on several cost considerations including, but not limited to the following:

- The cost of the goods and services being purchased;
- Availability of service and/or repair;
- The targeted small business procurement goal and other statutory purchasing preferences; and
- Other factors deemed relevant by the board.

The board may elect to exempt certain professional services contracts from the thresholds and procedures outlined above.

The thresholds and procedures related to purchases of goods and services do not apply to public improvement projects.

Public Improvements

The board shall enter into public improvement contract(s) as the board deems to be in the best interest of the school district. 'Public improvement' means "a building or construction work which is constructed under the control of a governmental entity and for which either of the following applies: (1) has been paid for in whole or in part with funds of the governmental entity; (2) a commitment has been made prior to construction by the governmental entity to pay for the building or construction work in whole or in part with funds of the governmental entity. This includes a building or improvement constructed or operated jointly with any public or private agency."

The district shall follow all requirements, timelines, and processes detailed in Iowa law related to public improvement projects. The thresholds regarding when competitive bidding or competitive quotations is required will be followed. Competitive bidding is required for public improvement contracts exceeding the minimum threshold stated in law. Competitive quotations are required for public improvement projects that exceed the minimum threshold amount stated in law, but do not exceed the minimum set for competitive bidding. The board shall approve competitive bids

Policy 705.02: Credit and Procurement Cards

Status: ADOPTED

Original Adopted Date: 06/14/2010 | **Last Revised Date:** 12/12/2022 | **Last Reviewed Date:** 12/12/2022

Employees may use school district credit cards and/or procurement cards (p-cards) for the actual and necessary expenses incurred in the performance of work-related duties. Actual and necessary expenses incurred in the performance of work-related duties include, but are not limited to travel expenses related to professional development or fulfillment of required job duties, fuel for school district transportation vehicles used for transporting students to and from school and for school-sponsored events, payment of claims related to professional development of the board and employees, and other expenses required by employees and the board in the performance of their duties.

Employees and officers using a school district credit or procurement card must submit a detailed, itemized receipt in addition to a credit or procurement card receipt indicating the date, purpose and nature of the expense for each claim item. Failure to provide a proper receipt will make the employee responsible for expenses incurred. Those expenses are reimbursed to the school district no later than ten working days following use of the school district's credit or procurement card. In exceptional circumstances, the superintendent or board may allow a claim without proper receipt. Written documentation explaining the exceptional circumstances is maintained as part of the school district's record of the claim.

The school district may maintain a school district credit or procurement card for actual and necessary expenses incurred by employees and officers in the performance of their duties. The superintendent may maintain a school district credit or procurement card for actual and necessary expenses incurred in the performance of the superintendent's duties. The transportation director may maintain a school district credit or procurement card for fueling school district transportation vehicles in accordance with board policy.

It is the responsibility of the superintendent to determine whether the school district credit or procurement card use is for appropriate school business. It is the responsibility of the board to determine through the audit and approval process of the board whether the school district credit or procurement card used by the superintendent and the board is for appropriate school business.

The superintendent is responsible for developing administrative regulations regarding actual and necessary expenses and use of a school district credit or procurement card. The administrative regulations will include the appropriate forms to be filed for obtaining a credit or procurement card.

Policy 705.03: Payment for Goods and Services

Status: ADOPTED

Original Adopted Date: 06/12/2023 | Last Reviewed Date: 06/12/2023

The board authorizes the issuance payment of claims against the school district for goods and services. The board will allow the payment after the goods and services have been received and accepted in compliance with board policy.

The board authorizes the board secretary, upon approval of the superintendent, to issue payment for verified bills, for reasonable and necessary expenses, when the board is not in session. The board secretary will examine the claims and verify bills. The board will approve the bills at its next regular meeting.

The secretary will determine to the secretary's satisfaction that the claims presented to the board are in order and are legitimate expenses of the school district. It is the responsibility of the secretary to bring claims to the board.

The board president and board secretary may sign warrants by use of a signature plate or rubber stamp. If the board president is unavailable to personally sign warrants, the vice president may sign warrants on behalf of the president.

It is the responsibility of the superintendent to develop the administrative regulations regarding this policy.

NOTE: The board may delegate payment of verified bills to the board secretary who can then pay upon approval of the superintendent. Should the board delegate this responsibility, the board must still approve the payment at the board's next regular board meeting. Or, the board can maintain the responsibility for reviewing the bills before payment. For more detailed discussion of this issue, see IASB's Policy Primer, Vol. 19 #5- May 24, 2006.

Legal Reference: Love v. City of Des Moines, 210 Iowa 90, 230 N.W. 373 (1930).
Iowa Code §§ 279.8, .29, .30, .36; 291.12; 721.2(5).
281 I.A.C. 12.3(1).

Policy 401.07: Employee Travel Compensation

Status: ADOPTED

Original Adopted Date: 03/07/2016 | Last Revised Date: 12/12/2022 | Last Reviewed Date: 12/12/2022

Employees traveling on behalf of the school district and performing approved school district business will be reimbursed for their actual and necessary expenses. Actual and necessary travel expenses will include, but not be limited to, transportation and/or mileage costs, lodging expenses, meal expenses and registration costs.

Travel Outside the School District

Travel outside of the school district must be pre-approved. Pre-approval will include an evaluation of the necessity of the travel, the reason for the travel and an estimate of the cost of the travel to qualify as approved school district business. Travel outside the school district by employees, other than the superintendent, is pre-approved by the superintendent or an immediate supervisor. Travel outside the district by the superintendent will be approved by the board president.

Reimbursement for actual and necessary expenses may be allowed for travel outside the school district if the employee received pre-approval for the travel. Prior to reimbursement of actual and necessary expenses, the employee must provide the school district with a detailed, itemized receipt, indicating the date, purpose and nature of the expense for each claim item. In exceptional circumstances, the superintendent may allow a claim without proper receipt. Written documentation explaining the exceptional circumstances is maintained as part of the school district's record of the claim.

Failure to have a detailed, itemized receipt will make the expense a personal expense. Personal expenses, including mileage, in excess of that required for the trip are reimbursed by the employee to the school district no later than 10 working days following the date of the expense.

Reimbursement for actual and necessary expenses for travel outside the school district will be limited to the pre-approved expenses. Pre-approved expenses for registration are limited to the actual cost of the registration.

Pre-approved expenses for transportation within three-hundred miles of the school district administrative office will be by automobile. If a school district vehicle is not available, the employee will be reimbursed mileage at the Internal Revenue Service standard mileage rate. Travel to/from home and work is never a reimbursable travel expense. Pre-approved expenses for transportation outside of three hundred miles of the school district administrative office may be by public carrier. Reimbursement for air travel will be at the tourist class fares. Should an employee choose to travel by automobile, reimbursement will be limited to the public carrier amount. Pre-approved expenses for transportation in a rental car is limited to the cost of a Class "C" rental car at a medium-priced agency unless the number of people traveling on behalf of the school district warrants a larger vehicle. Travel costs for a spouse or anyone other than the district employee shall be a personal expense not reimbursed by the district.

Pre-approved expense for lodging outside the state is limited to the rate of a medium-priced hotel in the area. Lodging may be pre-approved for a larger amount if special circumstances require the employee to stay at a particular hotel. Pre-approved expenses for meals are limited to \$10 for breakfast, \$15 for lunch and \$15 for dinner, *or not to exceed \$40/day including 20% gratuity and tax.

Travel Within the School District

Employees required to travel in their personal vehicle between school district buildings to carry out the duties of their position may be reimbursed at the Internal Revenue Service standard mileage rate. It is the responsibility of the superintendent to approve travel within the school district by employees. It is the responsibility of the board to review the travel within the school district by the superintendent through the board's audit and approval process.

Travel allowances within the district will be provided only after board approval. Employees who are allowed a within district travel allowance will have the amount of the allowance actually received during each calendar year included on the employee's W-2 form as taxable income according to the Internal Revenue Code.

Use of District-Owned Vehicles

Certain district employment positions may require regular and extensive travel. Due to the required duties of these