



GALLUP-McKINLEY
COUNTY SCHOOLS

PURCHASING CARD PROGRAM

P-Cardholder User Guide

Effective August 2021

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A. Introduction

The Purchasing Card is a Visa credit tool issued by Wells Fargo Bank. It is a fast, flexible new purchasing tool which offers an alternative to the existing purchase order process(es) and provides an extremely efficient and effective method for purchasing and paying for small dollar items.

1. **The Purchasing Card is to be used only to make “best obtainable price” purchases at the request of, and for the legitimate business of the Gallup-McKinley County Schools, consistent with the provisions of the New Mexico State Procurement Code and the Board of Education Policies, Procedures, and Administrative Regulations governing expenditure of funds and procurement of goods and services.**
2. The Purchasing Card will enable you to purchase non-restricted commodities, online, by telephone or in person, directly from the vendors.
3. The Purchasing cards are NOT intended to circumvent the appropriate purchasing approval or payment process, and must be supported by a Purchase Order before the Purchasing card is used.
4. The Purchasing Card will be issued in the GMCS District employee’s name.

B. Benefits of the Purchasing Card

The Purchasing Card program brings many benefits to:

1. Cardholders

- a. You will be able to obtain supplies directly from your vendors
- b. You **will be required to use a Wells Fargo P-Card Purchase Order** (approved by the Principal or Program Director) for all Purchasing Card Transactions.

2. Gallup-McKinley County Schools – The Purchasing Card program provides a cost-efficient, alternative method for purchasing supplies while maintaining good internal controls within the District.

3. Vendors

- a. The Purchasing Card will be welcomed by vendors who accept VISA.
- b. When they accept the card for business purchases, vendors do not need to send invoices to the District, and they will receive their payment directly from Wells Fargo within 48 hours.

C. Parties Involved

1. Card Issuer

- a. Wells Fargo issues Visa Purchasing Cards to GMCS District employees.
- b. Directly bills the GMCS Business Services for all purchases made on the cards.

2. Business Services

- a. Business Services Administrator – Procurement
 1. Coordinates the Purchasing Card Program.
 2. Arranges with Wells Fargo to have Purchasing Cards issued to approved employees.
 3. Receives P-Card Reconciliation Forms and receipts from school site/department for review/audit, and prepares a P-Card Reconciled Transactions Spreadsheet for payment processing. Forwards P-Card Reconciled Transactions Spreadsheet to Accounts Payable for Wells Fargo P-Card Purchase Order payment processing.
 4. Audits P-Card transactions for compliance.
- b. Business Services – Accounts Payable
 1. Receives reviewed/audited P-Card reconciled transaction spreadsheet for Wells Fargo P-Card Purchase Order payment processing.

3. School Site/Department Designated P-Card Secretary

- a. Submits the Cardholder's approved request to the SSC Bookkeeper for Wells Fargo P-Card requisition/PO processing.
- b. Reviews the Cardholder's P-Card Reconciliation Form and receipts, signs and forwards to GMCS Business Services at pcard@gmcs.org.

Parties Involved – Continued

4. Cardholder

- a. An employee of Gallup-McKinley County Schools.
- b. Approved by his/her Principal, Athletic Director, or Program Director to use the Purchasing Card.

5. Vendor

- a. The merchant from whom a Cardholder is making a purchase

D. Cardholder Eligibility

1. Applicant must be an employee of Gallup-McKinley County Schools.
2. Applicant's request and Cardholder Application (Attachment 1) for a Purchasing Card must be approved by his/her Principal, Athletic Director, or Program Director.
3. **Employee must attend training/annual training before he/she may be issued a Purchasing Card.**
4. Each Cardholder must sign the Purchasing Card Cardholder Agreement (Attachment 2).

E. Cardholder Responsibilities

The GMCS District Wells Fargo P-Card cardholder shall adhere to the following:

1. Use the Card for legitimate business purposes only.
2. Keep the Card in a secure location at all times.
3. **DO NOT** allow other individuals to use Purchasing Card.
4. **Prior to making any Purchasing Card transactions/purchases, obtain a properly authorized GMCS Wells Fargo P-Card Purchase Order for any and all Purchasing Card transactions:**
 - a. Submit your request to the Principal, Program Director, or designated Site/Program Secretary for approval.
 - b. The request must be detailed and contain sufficient information to make a determination about the need for the purchase.
 - c. **Vague or blanket requisitions/purchase orders are not acceptable and will not be approved.**
 - d. **Purchase may be made once the Cardholder receives a Wells Fargo P-Card Purchase Order.**
5. Adhere to the purchase limits and restrictions of the Purchasing Card (Attachment 3).
6. Obtain and reconcile all **itemized** receipts to the P-Card Reconciliation form, sign the form, and send to the Principal, Program Director, or Site Secretary within two (2) days of purchase.
-Cardholders who cannot produce itemized receipts may be liable for charges incurred.
7. Attempt to resolve disputes or billing errors directly with the vendor.
8. **Immediately report a lost or stolen card to Wells Fargo 1-800-932-0036.**
9. Return the Purchasing Card to GMCS Business Services upon terminating employment or transferring departments.
10. Report erroneous transactions to GMCS Business Services during normal business hours.

F. Requirements for Receiving a Purchasing Card

1. Before receiving a Purchasing Card, you are required to:
 - a. Complete the Purchasing Card training/annual training.
 - b. Sign the GMCS Purchasing Card Cardholder Agreement (Attachment 2).
2. **By signing this agreement, you indicate that:**
 - a. **You understand the intent of the program**
 - b. **You will comply with all guidelines of this Manual**
 - c. **You will adhere to the Gallup-McKinley County Schools District Policies and Procedures relating to the expenditure of district funds**

G. Acceptable Purchasing Card Purchases

1. Examples of purchases that are appropriate for the purchasing card:
 - a. In and out of state employee or athletic travel, conference expenses, **meals only when accompanying students**

Note:

- Travel-related receipts shall comply with the New Mexico Travel and Per Diem Act and the GMCS District's Travel Policy guidelines. Original travel-related receipts shall be attached to the P-Card Reconciliation Form if such expenses were charged against the P-Card and copies of the receipts shall be attached to the Travel Reimbursement Reports.

- All meal charges MUST be accompanied by an ITEMIZED and detailed receipt from the food establishment or the charge WILL NOT be paid by GMCS Business Services

- b. Approved supplies for your building, department, or program
- c. Conference and seminar registrations
- d. Craft Supplies
- e. Books and items from book stores
- f. Instructional games and toys
- g. Federal Express, United Parcel Service, United States Postal Service expenses
- h. Other miscellaneous items that apply to your budget
- i. Hardware stores
- j. Discount stores

THIS LIST IS NOT INTENDED TO BE ALL INCLUSIVE. IF YOU HAVE SPECIFIC QUESTIONS, PLEASE CALL GMCS BUSINESS SERVICES FOR ASSISTANCE.

H. Unacceptable Purchasing Card Purchases

1. The following items are examples of purchases that are inappropriate for the purchasing card:
 - a. ANY PERSONAL PURPOSE
 - b. Alcoholic beverages
 - c. Tobacco
 - d. Services
 - e. Software
 - f. Lottery Tickets
 - g. Cash Advances
 - h. ATM withdrawals
 - i. Tips/gratuity
 - j. The Purchasing Card cannot be used to pay consultants
 - k. The Purchasing Card cannot be used for international purchases
 - l. See Sample Listing of Blocked Vendors (Attachment 5)

THIS LIST IS NOT INTENDED TO BE ALL INCLUSIVE. IF YOU HAVE SPECIFIC QUESTIONS, PLEASE CALL GMCS BUSINESS SERVICES FOR ASSISTANCE.

I. Purchasing Card Closure

The Business Services Administrator is required to close an account if a Cardholder:

1. Transfers to a different department
2. Moves to a new job in which a Purchasing Card is not required
3. Terminates employment **or**
4. For any of the following reasons which will also subject Cardholder to disciplinary action in accordance with GMCS Policies and Procedures relating to disciplinary action and termination for cause:
 - a. The Purchasing Card is used for personal or unauthorized purposes.
 - b. The Purchasing Card is used to purchase alcoholic beverages or any substance, material, or service which violates policy, law or regulation.
 - c. The Cardholder allows the card to be used by another individual.
 - d. The Cardholder splits a purchase to circumvent the limitations of the Purchasing Card.
 - e. The Cardholder uses another Cardholder's card to circumvent the purchase limit assigned to either Cardholder or the limitations of the Purchasing Card.
 - f. The Cardholder fails to provide GMCS Business Services with required receipts.
 - g. The Cardholder fails to provide, when requested, information about any specific purchase.
 - h. The Cardholder does not adhere to all of the Purchasing Card policies and procedures.
 - i. **The Cardholder makes a purchase without a valid Purchase Order.**

A request for closing a Cardholder account will be submitted to Wells Fargo by the Business Services Administrator.

If a Purchasing Card is closed, the card must be returned to GMCS Business Services immediately.

J. Cardholder Liability

- The Purchasing Card is a corporate charge card and will not affect your personal credit.
- It is your responsibility to ensure that the card is used within stated guidelines of this Manual.
- Failure to comply with program guidelines may result in:
 - a. Permanent revocation of the card
 - b. Recoupment of any costs associated with unauthorized purchases by the Cardholder**
 - c. Notification of the situation to GMCS Administration**
 - d. Disciplinary action in accordance with GMCS District Policies and Procedures relating to disciplinary action and termination for cause
 - e. Personal financial liability for unauthorized purchases.**

K. Penalties

Gallup-McKinley County Schools Business Services has established a warning and violations policy for non-compliance to the guidelines and procedures of the Purchasing Card Program. All warning/violation notices shall be issued by GMCS Business Services.

A. P-Card User Penalties:

1. Warning – Written email notification to Cardholder and Supervisor/Program Director/P-Card Site Secretary:

- 1st missing P-Card Reconciliation Form/receipt/non-itemized receipt
- 1st violation of policy, i.e., no backup Cardholder on PO, meals over \$15.00 each, etc.
- 1st submittal of P-Card Reconciliation Form and receipts to the P-Card Secretary more than 2 business days after the date of the P-Card transaction. **NOTE:** It is the cardholder's responsibility to document the date the P-Card Reconciliation Form and receipts are turned in to the P-Card Secretary.

2. Violation 1 – Written email communication to Cardholder, Supervisor/Program Director/P-Card Site Secretary, and suspension of P-Card until successful completion of re-training:

- 2nd missing P-Card Reconciliation Form/receipt/non-itemized receipt
- 2nd violation of policy
- 2nd submittal of P-Card Reconciliation Form and receipts to the P-Card Secretary more than 2 business days after the date of the P-Card transaction. **NOTE:** It is the cardholder's responsibility to document the date the P-Card Reconciliation Form and receipts are turned in to the P-Card Secretary.
- 1st split transaction (i.e., If a purchase amount exceeds the daily limit, the purchase may NOT be split into two transactions)

Penalties – continued

3. Violation 2 – Written email communication to Cardholder, Supervisor/Program Director/P-Card Site Secretary, and suspension of P-Card until successful completion of re-training:

- 3rd missing P-Card Reconciliation Form/receipt/non-itemized receipt
- 3rd violation of policy
- 3rd submittal of P-Card Reconciliation Form and receipts to the P-Card Secretary more than 2 business days after the date of the P-Card transaction. **NOTE:** It is the cardholder’s responsibility to document the date the P-Card Reconciliation Form and receipts are turned in to the P-Card Secretary.
- 2nd split transaction

4. Violation 3 – Written email communication to Cardholder, Supervisor/Program Director/P-Card Secretary, and revocation of P-Card privileges for 365 days:

- Repetitive violations of those listed in Violations 1 and 2.
- 1st **PERSONAL USE OF THE PURCHASING CARD**
- 1st **AFTER THE FACT (ATF), WHICH MAY RESULT IN PERSONAL, FINANCIAL LIABILITY FOR THE UNAUTHORIZED PURCHASE.** See I. Definitions, After the Fact.

B. Designated P-Card Secretary/Administrator/Supervisor/Program Director Penalties:

1. Warning – Written email notification to Designated P-Card Secretary and Supervisor/Program Director:

- 1st submittal of P-Card Reconciliation Form and receipts to Procurement more than 4 business days after the date of the P-Card transaction. **NOTE:** It is the Designated P-Card Secretary’s responsibility to document the date the P-Card Reconciliation Form and receipts are turned in to Procurement.
- 1st submittal of P-Card Reconciliation Form to Procurement with missing receipts or supporting documentation.

Penalties – continued

- 1st failure to provide supporting Wells Fargo P-Card Purchase Order to Cardholder.
- 2. Violation 1 – Written email communication to the Designated P-Card Site Secretary and Supervisor/Program Director, and suspension of P-Cards until successful completion of re-training:**
- 2nd submittal of P-Card Reconciliation Form and receipts to Procurement more than 4 business days after the date of the P-Card transaction. **NOTE:** It is the Designated P-Card Secretary's responsibility to document the date the P-Card Reconciliation Form and receipts are turned in to Procurement.
 - 2nd submittal of P-Card Reconciliation Form to Procurement with missing receipts or supporting documentation.
 - 2nd failure to provide supporting Wells Fargo P-Card Purchase Order to Cardholder.
- 3. Violation 2 – Written email communication to the Designated P-Card Site Secretary, Administrator, and Supervisor/Program Director. Procurement will request a new Designated P-Card Secretary to be assigned, and P-Cards will be suspended until successful completion of training:**
- 3rd submittal of P-Card Reconciliation Form and receipts to Procurement more than 4 business days after the date of the P-Card transaction. **NOTE:** It is the Designated P-Card Secretary's responsibility to document the date the P-Card Reconciliation Form and receipts are turned in to Procurement.
 - 3rd submittal of P-Card Reconciliation Form to Procurement with missing receipts or supporting documentation.
 - 3rd failure to provide supporting Wells Fargo P-Card Purchase Order to Cardholder.

Penalties – continued

4. A Violation shall be issued to the Administrator/Supervisor/ Program Director for each inappropriate approval of unauthorized purchases made by P-Card User of his/her school or department. The District reserves the right to deny payment of any unauthorized charges and the employee may be held personally and financially liable.

Should an Administrator/Supervisor/Program Director receive a violation for inappropriate approval (of unauthorized purchase), a Letter of Concern shall be issued to the offending Supervisor, and Purchasing Cards will be suspended until successful re-training is completed.

Continued violations for approval of unauthorized purchases may be subject to, including but not limited to, the loss of the GMCS P-Card program for the school/department, job reassignment, demotion, termination, and/or criminal prosecution, etc.

******The Business Services Administrator is required to close an account if a Cardholder:**

1. Transfers to a different department
2. Moves to a new job in which a Purchasing Card is not required
3. Terminates employment, or
4. For any of the following reasons, which will also subject Cardholder to disciplinary action in accordance with Gallup-McKinley County Schools Personnel Policies and Procedures relating to disciplinary action and termination for cause:

THE CARDHOLDER MUST NOT – (Serious offenses will result in termination of Purchasing Card)

- Allow other individuals to use his/her Card
- Split a purchase to circumvent the limitations of the Card or use another Cardholder's card to circumvent the purchase limit assigned to either Cardholder or the limitations of the Card
- Use the Card for employee's meals while on official travel

Exception: Employee(s) accompanying students on travel are permitted to charge their meals on the Card along with the students' meals. **Tips are not allowed on the Purchasing Card.** Students' meal prices should correspond with the guidelines in the Athletic Handbook.

- Use the Card for fuel in School District or personal vehicles (Note: Cardholders are to utilize Wright Express Fuel Card where accepted or District Fueling Locations.)
- Use the Card for travel reservations or expenses **for non-district personnel. (i.e., family members, IEC members, etc.)**
- **Accept cash in lieu of a credit to the Purchasing Card account**
- Use the Card for personal or unauthorized purposes
- Use the Card to purchase alcoholic beverages or any substance, material or service, which violates policy, law or regulation pertaining to the Gallup-McKinley County School District

******The Procurement and Business Services Director is required to close an account for any of the following reasons** (this will also subject Cardholder to disciplinary action in accordance with Gallup-McKinley County Schools Personnel Policies and Procedures relating to disciplinary action and termination for cause):

- The Cardholder does not attend training/annual training
 - The Cardholder fails to provide, when requested, information about any specific purchase
 - The Cardholder fails to adhere to all of the Purchasing Card Policies and Procedures
 - The Cardholder fails to notify Wells Fargo of a lost or stolen Card: **1-(800) 932-0036**
 - The Cardholder fails to adhere to all of the policies regarding the expenditure of Gallup-McKinley County Schools' funds
-