



## PURCHASING CARD PROCEDURES

### Purchasing card agreement:

1. Before a purchase card can be issued a purchasing card agreement must be read, signed and dated.
2. Cardholders will be issued a pre-loaded declining balance purchase card upon acknowledging the terms and conditions of the purchase card agreement by signature.
3. Central Office Accounts Payable will generate a purchase order for each school grouped by funding source. The purchase order will be kept open until the full amount of the purchase order is expended.

### Allowable purchase:

1. See the attached copy of **Alabama Code Title 16. Education § 16-1-8.1** (as amended by **Act No. 99-389**) for **guidelines for allowable purchases**.
2. If a questionable purchase is made and the cardholder has a good educational reason for using the item(s), the cardholder should notate the reason on the receipt.
3. If the item(s) is (are) deemed unallowable, a personal check made out to Alexander City Board of Education is due within the month the purchase is transacted. If a personal check is not received within the required time frame, the amount of the unallowable purchase will be deducted from the cardholder's next pay.

### Itemized receipts:

1. Cardholders will be required to turn in daily to the bookkeeper, all legible, itemized, original receipts. When receipts are turned in, the cardholder will log and sign the pre-numbered receipt log. Cardholder will then write the pre-numbered reference number onto the corresponding receipt. Bookkeeper will place log and receipts in their respective folder in the school office. Receipts and receipt logs should be kept with the same security protection as cash receipts. The receipt log serves as documentation that items have been received and as an audit trail for receipts.
2. A personal check made out to Alexander City Board of Education is due within the month of the purchase where no itemized receipt can be found. If a personal check is not received within the required time frame, the amount of the purchase will be deducted from the cardholder's next pay.

### Reconciliation:

1. Itemized account statements will be sent to the cardholder each month. Each cardholder will have five business days to validate all charges shown on the statement. Once reconciled, the cardholder will record their purchase card activity and remaining balance on the issued reconciliation form. Once

reconciled, return the statement and a copy of the reconciliation to the bookkeeper.

2. Bookkeeper will verify all purchases to ensure compliance with State of Alabama State Fee Money Procedures and Policies. Bookkeepers will reconcile the receipts, check for unauthorized purchases and verify that no sales tax was charged. Then forward to administrator for signature and approval.
3. Bookkeepers will reconcile the master monthly bank reconciliation to the receipt logs. (Receipt logs may be kept in a binder and delivered to the Central Office when the last reconciliation for the fiscal year is completed.) The voucher and account code breakdown should be completed, signed and dated. Each cardholder will be responsible for keeping track of their card spending. Balances can be obtained by calling the phone number on the back of each card.
4. Each bookkeeper will complete a monthly packet consisting of a completed voucher form, copy of the verified receipt log, receipt copies, account code breakdown, monthly statement copy and any other supporting documentation. Packet should then be sent to the Central Office for payment processing.

**Sales tax:**

1. It is each cardholder's **responsibility to inform all vendors** that a purchase made with your purchase card is **exempt from sales tax**.
2. If a vendor charges sales tax and offers to pay it back. Make sure the vendor credits the purchase card and **does not give the cardholder cash**.
3. If sales tax is charged to a cardholder's purchase a personal check made out to Alexander City Board of Education is due within the month the purchase is transacted. If a personal check is not received, the amount of the sales tax will be deducted from the cardholder's next pay.

**Purchase limit:**

1. It is each cardholder's responsibility to make sure they do not purchase more than the allocated amount given.

If the **rules are violated three (3) times** by any cardholder, his/her **purchase card will be terminated** for the **remaining of the school year** and he/she must use purchase orders for the remaining balance.

# **Attachments**

## TEACHER CREDIT CARD RECEIPT LOG

SCHOOL NAME: \_\_\_\_\_ Approved By: \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

*I certify that the items listed on this receipt referenced below have been received and are in good conditions and adhere to the Board's Purchasing Card guidelines and procedures:*

Reference Number	Vendor Name	Receipt Amount	Teacher's Signature	Date Signed	Comments	STATUS
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						