

# **Fort McMurray Catholic Schools Operating Policies and Procedures**

## **OP 522 – Corporate Purchasing Cards**

### **Policy**

The Secretary-Treasurer is authorized to issue Corporate Purchasing Cards to facilitate the purchase of low value goods and services as an alternative method of purchase and payment consistent with the Board's Signing Authority policy.

The objective of the Corporate Purchasing Cards program is to:

- provide schools and other cost centres with a convenient, efficient and cost effective means to acquire low value goods and services;
- reduce the costs and amount of paperwork required to purchase low value goods and services;
- improve the timeliness of purchases and control of Merchant payments;
- reduce the need for petty cash and imprest accounts;
- improve management reporting on purchase activities;
- improve Supplier negotiations of supply terms; and,
- improve control over low value purchases.

### **Definitions**

**“Low Value Purchase”** is defined as the purchase of goods and/or services required by the district, which are less than \$1,000 per transaction, and are not associated with a capital project, restricted or prohibited card-use category.

A **“Corporate Purchasing Card” (Card)** is a purchasing and payment instrument which allows staff whose positions have been delegated expenditure and purchasing authority to use a Board's authorized charge card for making eligible purchases under the low value threshold.

### **Operating guidelines and procedures**

1. The Secretary-Treasurer must approve all applications for Cardholders. The application will include limitations on the amount of credit, the number of daily

transactions, the amount per transaction, spending limits and , daily any blocking of Merchant Categories.

2. The cardholders will:
  - a. complete a Corporate Purchasing Card Application (Appendix A), attend a training session and sign the Cardholder Agreement (Appendix B) stipulating use, limits, and blocking prior to being issued a Corporate Purchasing Card;
  - b. reconcile their monthly purchases to the monthly statements (Appendix C). Cardholders should contact the Finance Department if they need assistance;
  - c. sign a Cardholder Agreement before being issued a Corporate Purchasing Card;
  - d. obtain “best value” for their purchases;
  - e. resolve disputes with Merchants;
  - f. request and obtain discounts from Merchants where available under Corporate Supply Agreements;
  - g. request Merchants to apply appropriate Federal, Provincial, or Local taxes for each respective transaction. Taxes paid must be clearly identified on monthly transaction registers;
3. The reconciled monthly statements must be approved by the Cost Centre Manager, and with the original receipts and other required documentation, submitted to the Finance Department promptly after the monthly cut-off date.
4. In cases where a Cardholder misuses a Card, the Secretary-Treasurer may suspend or permanently revoke the Card. Any misused of the cards will be referred to the Superintendent of School who may take disciplinary action is deemed necessary.
5. The Finance Department will perform random and spot audits of transactions and Card activities to ensure compliance to stated policy and procedures.
6. The Secretary-Treasurer may impose limits on the number of cards per site.
7. The Corporate Purchasing Card is only to be used to purchase goods and/or services within the limits established for the individual Cardholder and in compliance with the Board Purchasing Policy and the Corporate Purchasing Card Program.
8. When purchases are made over the telephone, the Cardholder must take precautions to avoid the risk of unauthorized use of the Card number. Only established, reliable suppliers should be given Card numbers by phone. The Card number should not be quoted within hearing distance of another person or in a

public place. Cardholders must request that the Supplier or Merchant fax/mail sales invoices and/or CHARGE receipt immediately upon making a transaction.

9. Only the person whose name appears on the Card may use it. Cardholders must not allow another person to use their card.
10. It is not acceptable to request a Merchant to split a single transaction into multiple purchases when the total purchase price would exceed the transaction limit on the card and is grounds for revoking the Card.
11. The Card may be used to make purchases or payments over the Internet; however, the Cardholder will be responsible for all charges made to their respective Card through e-Net purchases.
12. When a card is lost or stolen, the Cardholder must notify ATB Financial MasterCard® Global Service™ 1-800-MC-ASSIST (1-800-62-27747) immediately 24 hours per day, 7 days per week. This is the only time when Cardholders should contact Master Card directly. The Secretary-Treasurer must also be notified during normal business hours.
13. Corporate Purchasing Cards are to be kept on the Cardholder's person or locked in a secure place at all times. Any receipts and/or other documents where the card number and Cardholder's name appear should also be kept in a secure location.
14. Canadian legislation and regulations stipulate that all electrical and electronic goods sold or imported into Canada must be CSA approved. It is the Cardholder's responsibility to ensure compliance with this requirement.
15. It is the Cardholder's responsibility to comply with all Occupational Health and Safety legislation and regulations (OHIS) including Material Safety Data Sheets (MSDS) requirements.

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