



Training

Using P-Cards in NPS

MARCH 2022

This presentation will cover the (proposed) new School Committee policy on purchasing cards...

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SKETCHES FROM MEMORY BY CHUCK COTTRELL

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#1291

The agenda for our training is below.

Agenda

Context

Program Overview and Process

Getting Started

The agenda for our training is below.

Agenda

Context

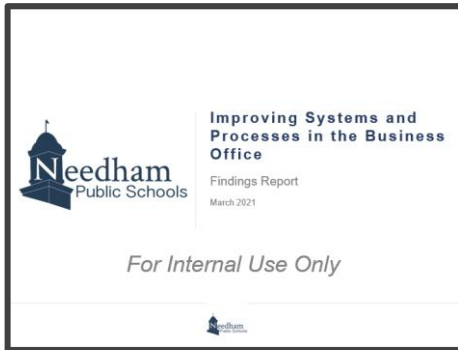
Program Overview and Process

Getting Started

Last winter, the business office interviewed and surveyed staff across the district on how to improve its systems; reimbursement came up often.

Why P-Cards

CONTEXT



The reimbursement process is the current solution for vendors that do not accept purchase orders, but it forces staff to temporarily pay for district cost.


Reimbursement: Temporarily Paying the District's Costs 3B NEW SYSTEMS

"The **district lacks the infrastructure** to handle certain types of transactions, particularly **when vendors don't accept purchase orders**. This creates a downstream problem which **forces staff to put out their own money.**"
- District Administrator

"When the principals had to travel, I had to buy my own airline tickets on my own credit card, which **took a couple months to process.**"
- Building Administrator

"We're reimbursing people who are **paying out of their own pocket in a good faith effort to serve teachers and students**. I don't think that's fair."
- District Administrator

"I do not understand the **how to buy goods...from grocery or other suppliers of perishable goods [who do not accept purchase orders].**"
- Survey Response



Reimbursement is not ideal, as it effectively circumvents the NPS procurement process.

One proposed solution to reduce reimbursement requests was purchasing cards (“P-Card”), which are like a company credit card.

P-Cards: The Basics

CONTEXT

- Acts like a district credit card, which would be distributed to select district leaders
- Replaces reimbursement when a purchase order would not be accepted (such as flights)
- Complements, but doesn't replace, purchase orders
- It's free, and can provide rebates/savings to the district

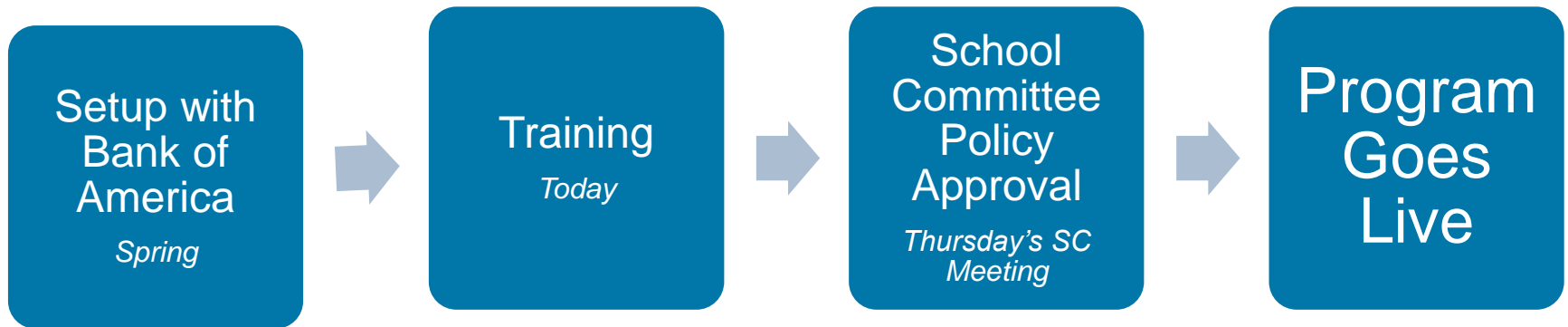


Many other districts have a P-Card program in place - and in addition, the Town of Needham began a pilot P-Card program in Fall 2019.

Our implementation is set; as soon as the School Committee approves the final policy, the program will begin and P-Cards can be used.

Timeline for P-Card Roll-Out

CONTEXT



The agenda for our training is below.

Agenda

Context

Program Overview and Process

Getting Started

The purpose of the P-Card program is to promote efficiency and offer staff a method to pay for vendors that do not accept purchase orders.

Purpose of P-Card Program

PROGRAM OVERVIEW AND
PROCESS

Program Purpose (“Why”)

- To promote purchasing efficiency and flexibility by permitting the purchase of goods when a vendor does not accept purchase orders
- To relieve employees of the financial burden of paying for work-related expenses themselves and subsequently seeking reimbursement

Users (“Who”)

- The Superintendent has the authority to grant cards
- Currently, budget managers are those receiving cards
- Melane will be “behind the scenes” adjusting credit limits
- Pam and Accounting will pay the monthly bill

What It’s Not

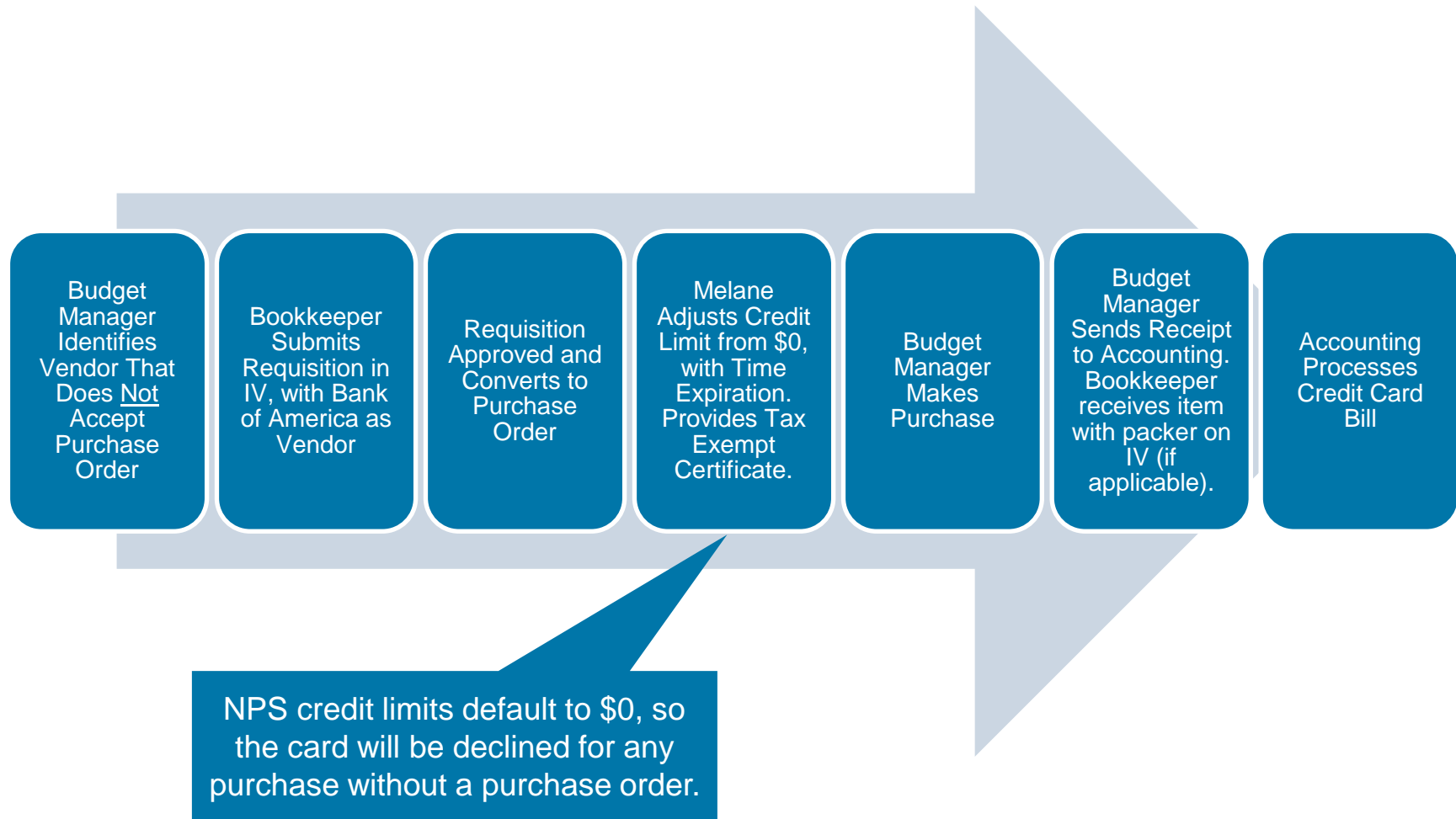
- A way to do last-minute purchases
- A way to circumvent procurement laws
- A way to purchase something over \$9,999
- A way to avoid gathering receipts
- A way to avoid the use of purchase orders
- A card for personal charges
- An option for vendors that accept purchase orders

Staff must reimburse the Town for any unapproved use of the card, which can also result in disciplinary action and/or civil or criminal action.

To use the P-Card, budget managers will need a purchase order to Bank of America in place, and then will need to submit receipts after purchases.

Process to Use P-Card

PROGRAM OVERVIEW AND
PROCESS



While the business office will support the program through Bank of America, each cardholder is responsible and accountable for card use.

Responsibilities: Cardholder vs. Business Office

Cardholder Responsibilities

- Signing the cardholder agreement
- Safeguarding the P-Card and the account number
- Ensuring expenses do not exceed the purchase order value and do not include MA sales tax
- Collecting and submitting receipts
- Returning the card to the business office upon change of assignment, separation from NPS, or upon request
- Not sharing the card with another employee or delegating its use to someone else (the cardholder CAN make purchases on behalf of other employees, however, and is responsible for collecting receipts, etc.)
- Reporting lost/stolen cards to the business office immediately
- Ensuring credits for returned items go back to card are not issued as cash or store credit

Business Office Responsibilities

- Issuing P-Cards
- Administering the program through Bank of America
- Setting transaction limits based on approved purchase orders
- Handling dispute claims with vendors
- Addressing lost/stolen card issues with Bank of America
- Shutting off cards of separated employees

The NPS policy states that P-Cards may not be used for prepayments and certain prohibited categories.

Prepayments

- P-cards may not be used to make prepayments, regardless of product or service category.
- P-cards may be used to purchase a reservation of a seat and/or a right to participate and/or an instantaneous purchase
 - Tickets – transportation, theater, etc.
 - Event reservation – conference, seminar, webinar, etc.
 - Hotel reservation

Prohibited Categories

- An expenditure for charitable, religious, or private purposes. (P-Cards may not be used for personal purchases, even with the intention of reimbursing the Town.)
- The purchase of alcoholic beverages or tobacco products.
- Fraudulent, excessive and/or unlawful purchases.
- The use of the card to obtain cash, cash back, cash refunds, cash advances, traveler's checks, money orders, and wire transfers.
- Lottery tickets, scratch cards or other games of chance.
- Gift cards and gift certificates.
- Entertainment.
- Merchandise credit.
- Rental cars.
- Mileage, gas, or tolls (as these are best addressed through reimbursement).
- Tuition
- Expenses in excess of \$9,999

NPS cards are configured to automatically decline many of these categories, even with a non-zero credit limit.

NPS is not able to pay sales tax in Massachusetts; once a requisition is pre-approved, Melane will upload a completed Tax Exempt form to IV for use.

Sales Tax Exempt Form (ST-5)

PROGRAM OVERVIEW AND
PROCESS



The image shows a blank Form ST-5, Sales Tax Exempt Purchaser Certificate, from the Massachusetts Department of Revenue. The form is divided into three main sections: Part 1. Exempt taxpayer information, Part 2. Agent information, and Part 3. Vendor information. Each section contains fields for name, address, city, state, zip, and telephone number. There are also checkboxes for various conditions and a signature line. The form is titled 'Form ST-5 Sales Tax Exempt Purchaser Certificate' and includes the Massachusetts Department of Revenue logo.

The Massachusetts tax exempt ID can be found under your name on the card.

Sales tax in other states, as well as other taxes (such as flights), still apply.

For travel use of the P-Card, managers should complete the Conference & Meeting Expense Form and submit it prior to the trip.

Travel: Conference & Meeting Expense Form

PROGRAM OVERVIEW AND
PROCESS

Attendees may not know the exact amount or vendors on a trip. Instead, this form has the manager estimate a trip budget and identify expenses, which the business office will set the P-Card credit limit to.

Requisition #: _____ (for Business Office Use)

Needham Public Schools Conference & Meeting Expense Form

For use with P-Card Requisitions

Directions: The purpose of this form is to identify and estimate travel and conference expenses that will be paid via P-Card for NPS employees. It should be completed in advance of travel and uploaded to the requisition on iVisions. One sheet can be completed on behalf of all trip attendees. *Note:* Out-of-pocket travel expenses should be reimbursed on the [NPS Expense Reimbursement Form](#), and not on this form.

General Information

- Conference/Meeting Name: _____
- Date(s) of conference/meeting: _____
- Location(s): _____
- Brief description of conference/meeting: _____

- NPS attendee(s): _____
- Please attach an image or PDF of the conference agenda. This may be from the event website, a flyer, or another document. It should include the conference dates and whether meals are included.

See next page

Anticipated Expenses

Complete the table below with all of the anticipated trip expenses for all participants. Consider conference fees, meals, and other expenses. If you prefer, you may create a separate copy of this table and attach it to this form instead.

Anticipated Expenses (Completed Before Trip)			
Category (Travel, Conference Fee, Lodging, etc.)	Anticipated Date	Item Description	Anticipated Cost

Please remember that rental cars, mileage, gas, and tolls must be reimbursed out of pocket and cannot be purchased on a P-Card.

After Trip

Within 48 business hours of returning, please submit the following to Accounting in the business office:

- This sheet, with the section below completed
- All original receipts
- A copy of every attendee's Certificate of Attendance or Completion from the meeting/conference

Complete Below Within 48 Hours of Trip End

Total Actual Amount Charged: \$ _____

I have submitted original receipts for all expenses charged to the P-Card on this trip, and that there are no remaining expenses. I also have not submitted any expenses for reimbursement that were charged to the P-Card. _____ (Cardholder Initial Here)

All forms are available on the NPS Business Office website

In short, there are two types of P-Card purchases: non-travel expenses and travel/conference expenses.

Types of P-Card Purchases

Non-Travel Purchase

- No additional form required
- Bookkeeper fills details of the items to be purchased on Infinite Visions, with vendor name and any quotes/flyers as available
- Once received, bookkeeper uploads packing slip to IV and marks item as received

Travel/Conference Expenses

- Budget manager completes Conference & Meeting Expense Form *before* trip (next slide)
- After trip, budget manager returns receipts with completed Expense Form within 48 hours to Accounting

Original receipts are needed for both.

There are a few additional details to know about the P-Card program and its rules.

Additional Tips and Rules

PROGRAM OVERVIEW AND
PROCESS

Travel Expense Not Pre-Identified

Appropriate, unplanned expenses will be paid, as long as the total amount for the trip remains under the total amount approved. *If you need the total trip amount increased and you are already on the trip, please contact Melane.*

Missing Receipt Affidavit

In the event where you lose a receipt or cannot obtain a receipt, **you can submit a [NPS Missing Receipt Affidavit](#)**. This should be used on rare occasions, and may not be used on a routine basis.

Automatically Declined Vendors

Cards have been configured to **automatically decline charges from vendors in certain categories, even if the expense might be legitimate** (for example, you aren't be able to buy a snack at a casino)

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Getting Started

We encourage you to sign up for Global Card Access, which allows you to view transactions, set a PIN, and receive card alerts on your phone.

Global Card Access

GETTING STARTED

Global Card Access – your tool to conveniently track expenses and manage card security with a single sign-on



Cardholder Account Dashboard

View important account details such as your credit limit, current balance, available credit, and recent card activity

View or change PIN

View¹ or change² your PIN from a desktop or mobile device



Custom Alerts²

Receive alerts through SMS text message, email or phone call to help protect your card from fraudulent activity



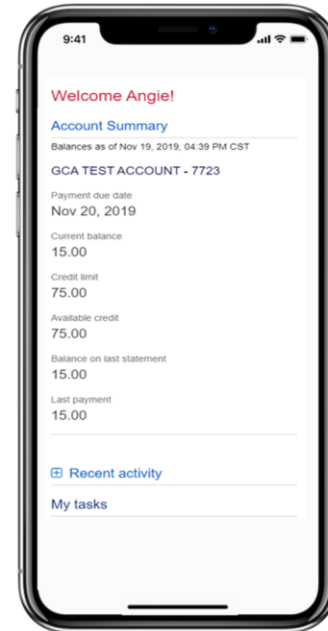
Lock/Unlock your card

Temporarily lock or unlock your card



View statements

Easily access your current statement and 12 months of historical statements



Lost or stolen cards must be reported immediately to the Business Office. Only the Program Administrator can mark cards as lost/stolen.

Everything you need, all in one place.

The user guide for registration is available on the Business Office website

Now, please read and sign the cardholder agreement; we will give you your card once you agree to the terms.

Cardholder Agreement

GETTING STARTED

I. ACKNOWLEDGEMENT (THE AGREEMENT)

As a pre-condition of receiving a P-Card, an employee shall complete and sign the acknowledgement below. One copy of the acknowledgement shall be filed in the employee's personnel file in Human Resources and the original Agreement shall be kept on file with the Program Administrator. An employee who refuses to sign or complete this document shall not be issued a P-Card.

NEEDHAM PUBLIC SCHOOLS P-CARD APPLICATION, CARDHOLDER AGREEMENT AND ACKNOWLEDGMENT OF RECEIPT OF P-CARD POLICY

APPLICATION:

Cardholder Full Name:	
NPS Department:	
Work Phone:	
Work Email:	
Work Cellphone:	
Date of Application:	

EMPLOYEE ATTESTATION: (Original Employee Signature Required)

I, _____ *[Enter Employee Name]* hereby acknowledge receipt of the Needham Public Schools' Purchasing Card (P-card) Use Policy #DJH, and the Needham Public Schools P-Card Procedures. I further attest that I have read and understood the terms and conditions contained therein, and agree to abide by those terms and conditions, as well as applicable provisions of the laws of the Commonwealth of Massachusetts including G.L. c.30B (the Uniform Procurement Act), as may subsequently be revised. I understand that the Town of Needham is liable to the financial institution for all charges made by me.

Now that you have your card, you can activate it through Global Card Access or by phone, using your verification ID.

Card Activation

GETTING STARTED



You will need the Needham verification ID to register your card. We will share it out loud.

Below are phone numbers provided by Bank of America in the event of an emergency and after normal business hours.

Important Phone Numbers

GETTING STARTED

Customer Service

(For Cardholders and Program Administrators after business hours)

24 hours

Phone: 888.449.2273

Fraud

(For Cardholders and Program Administrators after business hours)

24 hours

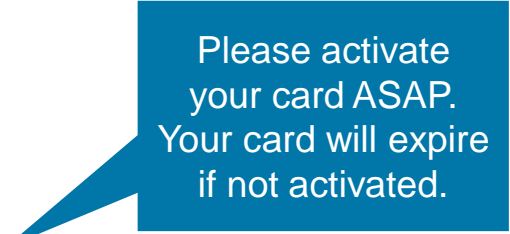
Phone: 866.500.8262

Card Activation

(For Cardholders and Program Administrators after business hours)

24 hours

Phone: 888.233.8855



Please activate
your card ASAP.
Your card will expire
if not activated.

The P-Card is a type of Visa credit card, which will use a PIN for additional security.

Features of Card

GETTING STARTED

Type of Card: Visa Credit (not Debit)

Chip / Contactless / Mobile Wallet: Yes to all

Signature / PIN: We are asking users to set up their own PINs through Global Card Access. The business office does not have the ability to view your PIN.

International Transaction Fee: 1%

Rewards: Depending on the total annual spending on the card, the Town receives a portion of all Massachusetts Bank of America P-Card spending - assuming bills are paid on time.



In summary, we hope that P-Cards make it easier to purchase goods on behalf of the district in a safe and secure manner.

Final Takeaways: P-Cards

SUMMARY

- 1 You have a P-Card now. Activate it, then store it somewhere safe. Don't share it with anyone.
- 2 To use the card, you need to get purchases pre-approved through Infinite Visions. Otherwise, the card will be declined.
- 3 If you want to use the P-Card on a work trip, estimate expenses on the P-Card Conference & Meeting Expense form and submit it with the requisition request.
- 4 Submit your receipts to the Business office within 48 hours. The Business Office has rigid deadlines imposed by Bank of America to pay the monthly bill, and receipts are required to process the invoice.