

Purchasing Card Program Volunteer Manual

PURPOSE

This Procurement Card (P-Card) program is designed to delegate the authority and capability to efficiently purchase items directly from the supplier in compliance with all procurement laws and local policies. Use of the card will result in the following benefits:

- Significantly reduce the number of purchase orders issued
- Streamline invoice payments
- Reduce the numbers of voucher/payment (Check Request)
- Reduce cash expenditures

This Cardholder manual has been developed to assist you in better understanding the program by answering some typical questions you may have and by providing step-by-step instructions on the use of the P-Card. Please take the time to read and understand the process before you begin using your P-Card. Improper use of the P-Card may result in disciplinary action up to, and including, permanent expulsion.

GUIDELINES FOR P-CARD USAGE

Purchasing Guidelines

Cardholders may make purchases for DMS items only. The P-Card is a supplement to Check Request, and Reimbursements. As with the other purchasing methods, the following conditions must be met when using the P-Card:

- P-Cards will be issued in the cardholder's name with the Dallas Makerspace name clearly shown on the card. This card is for business purposes only and may not be used for personal purchases.
- Each cardholder is responsible and accountable for their P-Card. **DO NOT SHARE YOUR CARD WITH ANYONE.**
- Facsimile, Telephonic, Internet, and In-person purchases via Purchasing Card are permitted- see "Purchase types, Page 16).
- The cardholder is responsible for verifying all purchases and transactions utilizing Expensify. This verification must occur weekly and all receipts attached in Expensify within three weeks from the Expensify transaction date.
- All purchases made are exempt from all federal excise taxes as well as state and city sales tax. When making purchases with the Purchasing Card, the cardholder must advise the vendor of the tax exempt status. If necessary, a Tax Exempt Certificate may be provided to the vendor.
- "Unauthorized purchase(s)," "unauthorized charge(s)," or "unauthorized use," means any use or purchase which is prohibited by State law, the Dallas Makerspace Purchasing Card Program Guide, any use which does not directly or indirectly benefit the DMS and its members, and/or use of the Card by someone other than the individual(s) authorized as Cardholders by Dallas Makerspace. Any employee or member authorized by Dallas Makerspace as a Cardholder using the Card for an unauthorized or improper purchase will be held personally liable to the Dallas Makerspace and will reimburse the Dallas Makerspace for the full amount of the unauthorized purchase, including any and all applicable late fees and interest. Reimbursement shall be in the form of a check, money order, or cash pursuant to the Purchasing Card User Agreement (Attachment 1). The employee or members signature on the Member Cardholder Purchasing Card Agreement signifies his, or her, agreement.
- Obtain the lowest possible cost for the item needed for your minimum requirements while complying with state and federal laws, DMS policies, and this manual.
- When purchases exceed the Procurement Card limit established by the Office of the Treasurer and your Administrator, normal purchasing procedures should be followed.
- Cardholders must ensure that sufficient funds are budgeted prior to making purchases and that proper Chair, Committee, Treasurer, and Board approvals have taken place as required by DMS policy.

Card Restrictions/Credit Limits

DMS is responsible for the purchases you make with the card; however, misuse or abuse will result in disciplinary action. Although the card is issued in your name, its use does not affect your personal credit in any way.

- The use of the Procurement Card does not relieve the Cardholder from complying with Federal and State statutes or DMS regulations, policies, and procedures. If you have any questions about procurement regulations, please contact the Treasurer's Office.
- If there are questions regarding a purchase made with your Procurement Card, you must be able to explain the nature of the purchase. If you cannot substantiate that the purchase was necessary and for official use, DMS will address this situation in accordance with its policy and procedures. Resolution of situations involving improper use of the Procurement Card and the resulting disciplinary action will be handled by the Board of Directors.
- There should be no sales tax on purchases made with your Procurement Card. A tax-exempt certificate has been provided for you.
- Questions regarding your account or specific Procurement Card procedures should be directed to the Treasurer.
- Purchasing parameters are assigned to individual Cardholders by the Treasurer. Should you need additional authority please contact him or her directly.

Personal Purchases

The procurement card may not be used for personal purchases.

End users should use extreme care to verify DMS card is not confused with a personal credit card. The procurement card is to be used only for authorized makerspace purchases. Personal items should be paid at the site (with cash, check or personal credit card) and not charged to the P-Card.

Use of your procurement card for personal purchases may result in your card being cancelled. The purchasing agent may be subject to further disciplinary action up to and including permanent expulsion dependent on the nature and severity of the offense.

Purchase Types

- In-Person Purchases Tell the supplier you wish to pay for the goods with a Procurement Card. Confirm that the transaction is tax exempt. Sign and take your itemized receipt(s).
- Telephone Purchases When ordering by telephone, indicate that you wish to pay with a Procurement Card. Be sure to give your correct delivery address along with any attention lines and room numbers that are needed. Tell the supplier that DMS is tax exempt and give them the card number and expiration date. Request an itemized receipt or invoice be emailed, mailed or faxed to you. It is helpful to make a note of the name of the individual that aided your purchase (should security issues arise).
- Fax Orders Fax your order with a notation that you are tax exempt. Be sure to give your correct delivery address along with any attention lines and room numbers that may be needed. Accurately notate your card number and expiration date. Request an itemized invoice be emailed, mailed or faxed to you.
- Internet Purchases The DMS procurement card may be used for on-line, internet purchases.
- If the software/subscription is only available for purchase via internet, online software/subscription purchases are allowed with P-Cards following the guidelines listed below:
- Requester shall submit Online Software Purchase Request form to the Infrastructure Group for evaluation when a significant software package is desired. Software purchase(s) shall not be made without Infrastructure Group approval.
- Be sure security is in place before making any Internet orders.
- Look for addresses that start with "https:" Never enter your credit card number on a Web page that does not have the "https:" at the beginning of the Web page address. The "https:" in the URL (Web address) means, that information will be transmitted over an encrypted, secure connection to the merchant.
- Look for the security alert and the lock icon when making online purchases. Using Internet Explorer, you will get a pop up "security alert" when you connect with a secure server. The message will read something like "you are about to view pages over a secure connection." If you continue by clicking "ok" on the pop up window, you will be connected to a secure server. At this point you should see a lock icon in the bottom right portion of your Web browser window. The security alert and the lock icon are signs that you have in fact connected with a Web site using an encrypted, secure connection.
- Guard your personal information. Do not provide any non-essential information online.
- Follow the directions for the purchase.
- Make sure that you are fully informed as to all of the charges associated with making a particular online purchase. Shipping and handling, plus other special or hidden fees can greatly increase the cost of your purchase. Note the expected delivery time and determine whether the merchant's delivery schedule fits your needs.
- If there is a place to indicate tax exempt status, be sure to complete that information.
- Verify correct ship to address. Deliveries should ALWAYS be directed to the Dallas Makerspace physical address, not a personal address.
- Make a screen shot or "print screen" the order for your records. This record must provide item descriptions, pricing, shipping, etc.
- Read online merchant's refund/return/cancellation and customer privacy policies. Learn the terms of business practiced by a particular online retailer. Beware of online merchants who do not prominently display refund/return/cancellation or privacy policies.

Prohibited Purchases

The following are examples of businesses that are unauthorized:

- Amusement & Entertainment Bars and Clubs
- Casinos
- Cash Advances, Travelers Checks, Insurance, Etc.
- Firearms Dealers
- Prescription Drug/Controlled Substances
- Liquor & Tobacco Stores
- Radioactive Material

The following are examples of products or services that are prohibited from purchase or payment with a P-Card:

Locally prohibited items

- Alcoholic Beverages/Tobacco Products
- Cash Advances
- Cell Phones
- College Tuition
- Controlled Substances
- Donations
- Gambling
- Gifts
- Gift Certificates
- Jewelry (not jewelry supplies)
- Personal Entertainment
- Personal Items
- Radioactive Material Services
- Taxes/fines
- Weapons or Ammunition

Record Keeping & Reconciliations

It is mandatory that Cardholders obtain and retain all itemized invoices/receipts, packing slips, and charge tickets. Charge tickets that do not have list /description of purchases are not acceptable as receipts and should be supplemented with an itemized invoice or cash register receipt.

The purchasing agent is responsible for reconciling all transactions weekly using Expensify.

The card holder will utilize the Expensify module to document that the items they have charged are appropriate.

Please make and retain copies of your itemized invoices/receipts. If item descriptions are not listed on the tickets, list each item purchased on those tickets or on a separate sheet of paper. Charge tickets are not acceptable by themselves.

Line item approval will be rejected if the office of the Treasurer has not reconciled the card in accordance with DMS procedures.

Card holders that consistently fail to reconcile their transaction on a timely basis or consistently fail to provide proper documentation will have their cards revoked.

Errors and Disputes

Cardholders will be responsible for verifying and reconciling all account activity at least weekly. Errors with merchandise delivery or billing will occasionally arise. If there is a dispute about a transaction, cardholders should first try to resolve it with the supplier. Have all credits applied to the card. Do not take credits in cash, check or store credit.

If the supplier does not agree that an error has been made, contact the Treasurer within 10 days from the date the transaction is downloaded into Expensify. He or she will contact the Bank and the bank will determine if the dispute can be processed without a form or mail you a copy if required. Complete the form and return it to the Treasurer, in addition to keeping a copy for your records.

The bank will place the charge in a "State of Dispute" and the account may be given a provisional credit until receipt of adequate documentation from the vendor. If the documentation appears to be in order, the transaction will be re-posted to the account and the dispute considered closed. If the charge is suspected to be fraudulent, the card will be immediately blocked, continue to have a provisional credit (if given) and an investigation of the charge will continue. A new card will then be issued to the cardholder, if appropriate. If the charge appears legitimate, the transaction will then post to the new account.

Returns (Merchandise)

Always check orders upon delivery or receipt to ensure what is received is correct and undamaged. If returns need to be made, complete the following steps:

1. Contact the supplier to request a return authorization and any special return instructions.
2. Keep a copy of the packing slip.
3. Verify credit is received. If credit is not received, contact the supplier to verify credit is in process. If credits are not posted within 30 days, complete a Dispute Form and contact the Treasurer. If disputes are not recorded in a timely manner (within 120 days of the charge posting on the statement), the bank will not accept the dispute and your department will not be credited for the charge.

Lost or Mis-routed Items

If a sufficient amount of time has elapsed and the Cardholder has not received an item, the following steps should be taken:

1. Contact the supplier and inquire when the item(s) was delivered and to what location.
2. If the supplier cannot supply this documentation (proof of delivery), the supplier should make arrangements to deliver the product or issue credit for the transaction.
3. If a satisfactory resolution cannot be reached, complete a Dispute Form and contact the Treasurer.

Disputes

If discrepancies are noted on the monthly statement (for quantity, price, duplicate billing, missing credits, items not received, etc.), the following steps should be taken:

1. Contact the supplier and try to reconcile the difference. Keep a record of all of your telephone calls to the supplier (or make notes on your Transaction Log).
2. If the supplier does not agree that an error has been made, contact the Treasurer, who will contact the bank. The bank will determine if the dispute can be processed without a form or mail you the appropriate form if required. Complete the form and return it to the Treasurer, who will send it to the bank, and keep a copy for your records.
3. The disputed amount will show on the next statement. If the dispute is settled in the Cardholder's favor, the charge will be credited to your account.
4. The bank will not process disputes that have not been made in a timely manner.

Audit

All Procurement Card Statements and receipts will be audited to ensure that purchases are in compliance with DMS procedures and policies. Failure to follow the proper procedures could result in revocation of the Procurement Card or other appropriate disciplinary actions. Use of the Procurement Card is always subject to review by your DMS officers, the Board, and their designees. It is critical that you maintain good records.

The primary purpose of an audit is to ensure the proper expenditure of funds under this program. A secondary purpose is to track data on how, where, and for what cards are used. As a result of the audit, the Procurement Card program may be modified so the program is more beneficial.

Card Security

Because the Procurement Card is issued in an employee or member's name, he/she is responsible for the security of the card and any transactions made against the Procurement Card.

- Keep your card in a secure location.
- Do not share your card with anyone.

Lost or Stolen Cards

In the event a Procurement Card is lost or stolen, contact Chase Bank Customer Service immediately at and be prepared to provide information in writing. Contact the Treasurer during the next business day. A replacement Procurement Card will be mailed to DMS, generally taking seven to ten days after the request for card replacement is made.

Procedure to Clear Fraudulent Charge Transactions

When a card appears to have a fraudulent charge, and the bank has not applied a credit, the cardholder must call Chase Bank at 1-877-451-4602 immediately. Ensure you have the card number available and the information listed below when you call Chase Bank.

Mailing Address:

1825 Monetary Lane #104

Carrollton, TX 75006

Telephone #:

214-699-MKER

Account Name:

Dallas Makerspace

Chase Bank will deactivate the card and issue a new card. They will also send an affidavit to DMS to verify the fraudulent charge. Chase Bank should be contacted within 30 days after a fraudulent charge is posted.

Procedures to reconcile fraudulent credit card transactions in Expensify after Chase Bank applies the credit:

- The fraudulent charge will show under the deactivated p-card number.
- The credit for the fraudulent charge will show under the newly issued p-card number.
- Note: If Chase Bank has applied the credit without issuing a new p-card, you must notify them that you have fraudulent charges that have been credited to the same card. Call Chase Bank at 1-877-451-4602. They will deactivate the card and issue a new one. They will also send an affidavit to Purchasing to verify the fraud charge.

Enter an Expensify report for both the fraudulent charge and the bank credit of the fraudulent charge.

Erroneous Declines

There may be certain situations when a vendor receives a decline message when processing your Purchasing Card transaction. If you do not know the reason for the decline, contact Chase Bank at 1-800-300-3084 for an explanation. If the decline was in error, the Cardholder should immediately contact the Treasurer for assistance. If purchase is being made outside of normal business hours, the employee or member must find an alternate payment method or terminate the purchase and contact the Treasurer during normal hours..

Credits

The vendor should issue a credit to your card account for any item that they have agreed to accept for return. This credit will appear on a subsequent statement. Under no circumstances should you accept cash, check or store credit in lieu of a credit to the Purchasing Card account.

Note: this is also referenced under "Errors/Disputes"

Compliance Enforcement

DMS has established a 3-strikes-you're-out methodology for non-compliance - with the guidelines and procedures of the P-Card program.

Upon determination that an offense has taken place, a strike may be issued to the cardholder. The Treasurer has the discretion to issue a warning or strike as well as to revoke P-card access in extreme cases.

Warnings or Strikes may be issued for the following violations:

- Missing receipt
- Violation of DMS policy
- Failure to perform reconciliation in a timely manner
- Use of unapproved supplier
- Splitting transactions
- Personal purchases
- Approving unauthorized purchases

All strikes issued will generate an email notification to both the Cardholder and Board of Directors. The purchasing agent may be subject to further disciplinary action up to and including expulsion dependent on the nature and severity of the offense.