

## **PURCHASE CARDS**

### **Background**

The Division will operate an efficient and effective system for purchases. This system will use a variety of methods to ensure the prompt handling of payments.

### **Definition**

A *purchase card* is a credit card used by the Division personnel to purchase goods or services. The purchase card works just like a Mastercard but provides more flexibility in how limits are set. Any vendor that accepts the Mastercard card will accept the purchase card.

### **Procedures**

#### **1. Purchase Card**

##### **1.1 Criteria for Use**

- 1.1.1 For schools, purchase cards shall be used as the preferred method of payment for goods and services that are less than one thousand dollars (\$1,000.00) per transaction.
  - 1.1.1.1 The Secretary Treasurer or designate may increase the per transaction limit to no more than half the cumulative limit on a card, at the request of the Principal.
  - 1.1.1.2 One (1) purchase card in each school may, at the discretion of the Principal, have a per transaction limit of up to ten thousand dollars (\$10,000.00).
  - 1.1.1.3 Cumulative limits per purchase card shall be established by the site administrator.
- 1.1.2 The Principal may request the Secretary Treasurer or designate temporarily increase card limits and the Secretary Treasurer or designate may approve requests on a case-by-case basis.
- 1.1.3 Principals may, if they choose, use purchase cards to purchase goods and services on behalf of School Activity funds. If purchases are made on behalf of School Activity funds, the Division shall reimburse the total amount charged during the current month to the purchase card balance that is being paid.
- 1.1.4 For Support Services, purchase cards shall be used as the preferred method of payment for goods and services that are less than an amount established by the Secretary Treasurer or designate.
- 1.1.5 Each purchase card is issued to a staff member to provide for a convenient method of providing payment to vendors.

- 1.2 Purchase cards will be issued to staff members that have been delegated the authority to make purchases on behalf of the operational department or school, upon completion of Form 516-1 Purchase Card Application.
  - 1.2.1 Issuance of purchase cards shall be approved by the Secretary Treasurer or designate along with the spending controls appropriate for the specific card holder.
  - 1.2.2 Purchase card holders must sign and accept all the conditions of an agreement regarding the use of the card.
- 1.3 The Secretary Treasurer or designate shall prepare an agreement that establishes procedures and governs the use of the purchase card.
- 1.4 The purchase card may not be used for the following purposes:
  - 1.4.1 Any item exceeding the card transaction limits in value or multiple transactions to avoid this limit.
  - 1.4.2 Any product or service normally considered to be inappropriate use of Division funds.
  - 1.4.3 Personal uses.
  - 1.4.4 Entertainment.
  - 1.4.5 Cash advances.
  - 1.4.6 Staffing or temporary help.
- 1.5 The purchase card holder is fully responsible for the use and safe keeping of the card at all times and is therefore to exercise proper control consistent with Division standards.
- 1.6 The budget manager, supervisor, or Principal must approve (countersign) all respective Mastercard statements monthly. The Secretary Treasurer or designate must approve all Mastercard statements for cards held by principals.

Adopted/Revised/Reviewed: JUN 2016/FEB 2017/NOV 2019/JUL 2023

Reference: Section 52, 53, 68, 196, 197, 204, 222, 225 Education Act