

DRAFT: July 2010
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BLUE VALLEY SCHOOLS
BUSINESS & FINANCE
PURCHASING

**Purchasing Card Receipt Review Guideline for
Buildings and District Office**

Blue Valley School District has contracted with UMB Bank for a Visa purchasing card program. The purpose of the program is to establish a more efficient, cost-effective method of purchasing and paying for small dollar transactions. The Visa Purchasing Card is not intended to avoid or bypass appropriate purchasing or payment procedures. Rather, the purchasing card complements the existing processes.

Building Staff

The cardholder will turn all receipts in to their respective bookkeeper. The cardholder will be responsible for ensuring that the following information is included on the back of each receipt (or other documentation) turned in:

- **Who** - Document the person or persons on whom the money was spent (primarily applicable for meals/entertainment expenses)
- **What** - Document what was purchased if not completely evident on the front of the receipt
- **Where** - Document where the purchase was made if not completely evident on the front of the receipt
- **When** - Document when the purchase was made if not completely evident on the front of the receipt
- **Why** - Document why the funds were spent - specifically the business purpose. The more detail given here, the better (primarily applicable for meals/entertainment expenses)
- An **account number** to charge the expense to

1. The bookkeeper will be responsible for performing the first detailed review. They will review the expenditures for reasonableness and ensure that the charges are allowable in the account/fund they are charged to. They will also ensure that purchasing guidelines were followed, when applicable. They will make an initial attempt to obtain any missing receipts. Any missing receipts or questionable charges that are unresolved will be flagged and given to the building principal for final review and signoff. The bookkeeper will also obtain all receipts for the principal's charges.
2. The principal will address all flagged items and will ultimately be responsible for obtaining missing receipts or alternative documentation if a receipt is not available. The principal will sign off on all legitimate charges. The executive director of school administration (East or West) will review all charges made by Principals in conjunction with a draft of the monthly audit report that will be prepared by the junior accountant.
3. They will forward the entire packet, with all receipts to the finance department at district office. A representative from the accounts payable department will be responsible for obtaining all packets from the schools for payment processing.
4. The packets will then be given to the junior accountant to complete appropriate audit procedures. The procedures will include, but not be limited to, a review of all transactions and supporting documentation for reasonableness and appropriate documentation. Audits will be performed on a monthly basis. During this review, an examination of activity fund and petty cash detail will be performed to ensure that expenses are not being reimbursed if they are charged on a purchasing card.
5. Purchasing Card Finding Levels

The junior accountant will prepare a monthly report that outlines the exceptions that were noted. The audit and finding report prepared by the junior accountant will note exceptions using the criteria defined below.

The report will be given to the business office. This information will be used to identify trends and to determine if corrective action or escalation to executive administration is necessary.

High Priority

(Additional occurrences will result in immediate suspension of card)

- No receipt.
- No itemized receipt (over \$75).
- No Business Purpose (Food Receipts)
- No list of attendees (Food Receipts)
 - 5 People or Less List all Individual Names
 - More than 5 people list group and number of attendees
- Purchase of Fixed Assets (Items above \$500)
- Purchase of a service
- Receipt does not match statement
- Item shipped to a personal address.
- Gift cards purchased (for staff) with District Funds.
- Gift card purchase without backup documentation.
- Sales tax charged on purchase in excess of \$100
- Alcoholic beverages purchased
- Charging of Room Service
- Social Committee purchases not reimbursed
- Purchase of gift for staff with District Funds
- Use of pcard by someone other than the cardholder

Focused Priority

(Several occurrences could result in suspension of card)

- No itemized receipt (under \$75)
- No receipt, packing list only without pricing.
- No dollar amount on receipt
- Sales tax charged on purchase between \$50-\$99
- Social Committee purchases reimbursed by check (Subsequent Offense)
- Fuel Purchase on student travel card
- No secondary approval of Administrator's or Director's transactions

Area for Improvement

(Multiple occurrences could result in suspension of card)

- Receipt was illegible.
- Excessive tip over 20%.
- Food is purchased on a fuel card.
- Alcoholic beverages purchased. Reimbursed by personal check.
- Personal purchase reimbursed by personal check.
- Social Committee purchases reimbursed by check (First Offense)

For Informational Purposes Only
(Not a finding unless excessive instances)

- Part of the receipt was missing.
- Receipt not legible due to using tape.
- Receipt illegible due to fading.
- Sales tax charged on a purchase less than \$50
- Not an original receipt. (Faxed copy from the merchant is OK)
- Use of individual pcard for travel expenses (*Temporary for tracking purposes*)

District Office Staff

The cardholder will turn all receipts in to their respective administrative assistant or designated person for initial review. The cardholder will be responsible for ensuring that the following information is included on the back of each receipt turned in:

- **Who** - Document the person or persons on whom the money was spent (primarily applicable to meals/entertainment expenses)
 - **What** - Document what was purchased if not completely evident on the front of the receipt
 - **Where** - Document where the purchase was made if not completely evident on the front of the receipt
 - **When** - Document when the purchase was made if not completely evident on the front of the receipt
 - **Why** - Document why the funds were spent - specifically the business purpose. The more detail given here, the better (primarily applicable to meals/entertainment expenses)
 - An **account number** to charge the expense to
2. The administrative assistant/designated party will be responsible for performing the first detailed review. They will review the expenditures for reasonableness and ensure that the charges are allowable in the account/fund they are charged to. They will also ensure that purchasing guidelines were followed, when applicable. They will make an initial attempt to obtain any missing receipts. Any missing receipts or questionable charges that are unresolved will be flagged and given to the executive director or immediate supervisor.
 3. The executive director/immediate supervisor will address all flagged items and will ultimately be responsible for obtaining missing receipts or alternative documentation if a receipt is not available. If they choose to designate someone to perform this follow-up, it will be understood that they will still be ultimately responsible for the final sign-off on all purchasing card activity in their departments.

4. The executive director/immediate supervisor will sign off on all legitimate charges. They will forward the entire packet, with all receipts to the finance department.
5. All charges made by an executive director must be reviewed by their supervisor and the payment request must be dual signed by the executive director and their supervisor.
6. All charges made by the superintendent and the deputy/asst. superintendent must be reviewed and signed off on by the executive director of business and finance or the director of accounting and auditing (in absence of prior).
7. The entire packet, with all receipts, should be forwarded to the finance department. A representative from the accounts payable department will be responsible for obtaining all packets from the district office for payment processing.
8. The packets will then be given to the junior accountant to complete appropriate audit procedures. The procedures will include, but not be limited to, a review of all transactions and supporting documentation for reasonableness and appropriate documentation. Audits will be performed on a monthly basis. During this review, an examination of petty cash detail will be performed to ensure that expenses are not being reimbursed if they are charged on a purchasing card.
9. Purchasing Card Finding Levels

The Junior Accountant will prepare a monthly report that outlines the exceptions that were noted. The audit and finding report prepared by the junior accountant will note exceptions using the criteria defined below.

The report will be given to the business office. This information will be used to identify trends and to determine if corrective action or escalation to executive administration is necessary.

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