



P-CARD PROGRAM GUIDELINES



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P-Card Program Overview

Laredo Independent School District is pleased to introduce the P-Card Program. The Purchasing Card Program is a fast, flexible purchasing method for processing direct purchases from vendors that accept credit cards. The BBVA Compass Purchasing Card is a Visa branded electronic tool that would help spending control while making the purchasing process more efficient, convenient and cost-effective. P-Card transactions do not require a reimbursement process, but they require a purchase order or electronic approval of travel workflow to post the spending limits.

The purpose of the P-Card Program Guidelines is to communicate the procedures regarding the proper use of the P-Card including restrictions, consequences for misuse and the roles and responsibilities of Supervisors, Cardholders, Program Administrators and Reconcilers.

The District has a depository agreement with BBVA Compass (financial institution) to issue P-Cards for eligible individuals who meet the required criteria allowing them to make certain tax-exempt school-related purchases. The District is liable to the financial institution issuing the P-Cards for the charges made.

The individual named on the card is authorized to make allowable expenses on behalf of the District. Each campus has their own credit limit established by his/her own supervisor. The Cardholder is responsible for ensuring that all expenditures are for school purposes only and in full compliance with purchasing statutes, rules, policies, and procedures. Generally within seven (7) business days of the transaction, the Cardholder must provide Finance Division sufficient and clear documentary evidence of the purpose of the purchase along with **original** receipts for reconciliation purposes.

Cardholder's failure to use the card in compliance with this procedures, or failure to provide sufficient documentary evidence within 7 business days may, depending upon the circumstances, shall result in the suspension or revocation of the P-Card and disciplinary action up to and including termination of employment and, where applicable, the filing of criminal charges.

The Procurement Department provides the most current P-Card Program Guidelines on its web site for reference guide and compliance review of purchasing regulations.

Training and Purchasing Card Agreement

Once the P-Card request is approved by Supervisor, it would be reviewed by the Program Administrator. The P-Card will be mailed directly to the Program Administrator and Cardholder will be contacted to attend a mandatory training provided by the District and/or to enroll into an ***online training course***. Training has been developed to educate cardholders, supervisors, and program administrators to ensure that the principles and standards of goods public purchasing methods are applied consistently.

Initial training consists of in-house workshops conducted by Finance Division personnel. At a minimum of every 2 years, program procedures require all cardholders, supervisors and program administrators to complete “online” P-Card training to ensure all are kept informed of updated or changed guidelines, recent developments in purchasing statutes, regulations, policies and procedures. Training will be offered online to allow for ease and convenience. This shall be completed at the end of the month of October every two years.

A Purchasing Card Agreement (Appendix A) must be signed certifying that the intent and purpose of the program have been understood and will agree to follow the established P-Card program guidelines.

Upon completion of training and execution of the signed Purchasing Card Agreement, the cardholder will be able to pick up his/her card from the Program Administrator.

Supervisor’s Role and Responsibilities

School Principal or Department Head must be responsible for the following duties:

- (a) Evaluate an employee’s need for a P-Card based on job requirements;
- (b) Request P-Card thru *purchasing card workflow* and estimate limits;
- (c) Notify the Program Administrator whenever a Cardholder’s requirements or status changes thru a purchasing card workflow;
- (d) Re-evaluate the need for a P-Card;
- (e) Review the P-Card Reconciliation Form and approve Cardholder’s charges;
- (f) Notify the P-Card Administrator when a Cardholder transfers between departments or leaves the District.

Cardholder’s Role and Responsibilities

Cardholder must be responsible for the following duties:

- (a) The Cardholder is an employee who has been approved to obtain a P-Card by the Department Head or School Principal and has been granted the privilege to spend funds for District-related expenses.
- (b) This privilege requires the employee to:
 - a. Attend P-Card training;
 - b. Sign an agreement;
 - c. Be committed and responsible to comply with the terms and conditions stated in the P-Card Program Guidelines, Agreement, and training.
- (c) Failure to use the card in compliance with the District’s guidelines, purchasing policy, signed forms, and training may result in reimbursing the District, the suspension or revocation of the P-Card and possible disciplinary action as stated in the P-Card Program Guidelines.
- (d) Keep your P-Card number confidential and secure. Lending the P-Card is not allowed. Cardholders are responsible for all charges processed on their P-Card.

- (e) A cardholder cannot approve their charges as Supervisor's and cannot reconcile their charges as Reconciler.
- (f) The P-Card can only be used for school-related goods or services permitted by the District, and must never be used for any personal expenses.
- (g) If the P-Card is used inadvertently for a personal purchase, the P-Card Program Administrator must be notified immediately, and the District reimbursed. This will be used as a misuse of the card.
- (h) Only if needed, obtain approval for temporary increases to the Cycle limits from the Department Head or School Principal and forward the approved request to the P-Card Program Administrator thru the purchasing workflow indicating the justification.
- (i) Public funds cannot be expended for personal purchases of employees, or to make unauthorized purchases regardless of any intent to repay the District.
- (j) Splitting the cost of goods and services into multiple charges in order to circumvent the purchasing policies is strictly prohibited. If Cardholders need to make multiple purchases from a vendor, please contact procurement staff to determine the best procurement method for those purchases.
- (k) Responsible for handling disputes, reporting lost or stolen P-Card and reporting fraud.
- (l) Provide additional supporting documentation when item lends itself to personal use or the purpose of the purchase would not be clear to the Reconciler, Auditor or Program Administrator.
- (m) Obtain an itemized receipt for each transaction when using the P-Card.
- (n) Check frequently P-Card charges in the BBVA Compass Bank – CentreSuite to immediately identify fraudulent charges caused by a stolen card or credit card numbers; to avoid budget errors, inaccurate reporting, and possible audit findings.
- (o) Inform the vendor that the purchase is exempt from sales tax.

Security of the P-Card

The P-Card is the property of the District. All cards should be stored in a secured location. All cards should be immediately canceled if a cardholder terminates employment, transfers to another department or assumes different duties that do not require the use of the P-Card. P-cards are canceled by Finance Division. At the time of termination, all paperwork for transactions pending the closing of the cycle must be submitted to the Program Administrator. If a cardholder takes a leave of absence for 30 days or more and/or cardholder does not use the card for three consecutive accounting periods (3 months) such as summer vacations, their card will be placed on hold until their return.

3-Strikes-You're Out Feature

Laredo ISD must safeguard its assets and protect its funds from misuse and fraud. It should be clear that misuse and abuse will not be tolerated. All staff members involved in the use or the administration of the P-Card have a responsibility to notify the CFO and/or Internal Audit any known or suspected misuse of the P-Card in order to proceed with further investigation. Three violations and/or misuses of the P-Card/program shall result in the suspension or revocation of the P-Card and disciplinary action up to and including termination of employment and, where applicable, criminal prosecution.

Some types of violations, but not limited, are:

- Noncompliance with State and District purchasing procedures
- Unallowable purchases
- Personal Charges
- Unacceptable documentation
- Late submission of P-Card reconciliation
- Unresolved item disputes
- Splitting charges circumvent the procurement system
- Insufficient funds in the Alio accounts

Program Administrator's Role and Responsibilities

- (a) The Program Administrator is an employee who ensures that the P-Card program's requirements and guidelines are followed;
- (b) Read, understand, and abide by the terms and conditions stated in the P-Card Program Guidelines;
- (c) Assigned for questions, issues, and administration of the program;
- (d) The Program Administrator shall have knowledge of all procedures in the Purchasing Card Program Guidelines;
- (e) All program requests (add new accounts, increase credit limits) must go through the Program Administrator;
- (f) Primary contact for lost or stolen P-Cards.

Reconciler's Role and Responsibilities

- (a) The Reconciler is an employee who is primarily responsible for reconciling to the monthly P-Card reconciliation report located in BBVA-CentreSuite website.
- (b) Maintain accurate records for audit purposes. Receipts, documents and reconciliation reports are retained for 7 years for audit purposes.
- (c) Ensure that the cardholders provides appropriate backup documentation and original receipts;
- (d) All P-Card charges shall be reviewed and approved prior to the 14-day Auto-Pos date;
- (e) The Reconciliation Report provides the reviewer a list of all the charges that have been made per month. This report is to be used by the assigned Reconciler to aid in the required reconciliation of month charges.
- (f) Make sure each monthly reconciliation report must be signed and dated by the Supervisor.

Perishable and Consumable Purchases

Once the cardholder has been given the right to use a purchasing card, and trained on how to execute card transactions, he/she is ready to buy perishable and consumable items in accordance to lesson plans and / or approved purchase vouchers. Cardholder will complete the purchase voucher that needs to be approved by the Principal, supervisor or designee. If purchases with the P-Card were executed and vouchers or lesson plans were not complete or fully approved, a violation will be issued to the cardholder. Purchases not related to LISD lesson plans or events will become a personal liability to the cardholder. The cardholder has seven business days after the purchase to provide original receipts and documentation to the reconciler.

Purchasing Process on Alio

A Purchase Requisition needs to be initiated by campus or department for the amount approved by the Supervisor in order to obtain a Purchase Order. An accounting batch will be generated at the time of reconciliation in order to reflect the proper expense and liquidation of Purchase Order. If additional funds are needed, a transfer or amendment needs to be done before continuing purchasing without funds in the proper line items. Cardholder must assure enough funds are in place before an expenditure report is generated; otherwise it would be considered a violation to the program.

Reconciliation

A report can be extracted from The BBVA Compass Bank CentreSuite for reconciliation purposes or access to view transaction will be granted to all cardholders. This access/report provides the reviewer a list of all the charges that have been made per month. All Cardholders must fill out the P-card reconciliation form signed and dated by Supervisor and submit to Reconciler along with proper original receipts within 7 business days after transaction. If the charges are not approved as required, this may result in an audit finding, re-assignment of duties, and possible disciplinary action as stated in the P-Card Program Guidelines. If the charge is not properly reviewed and the appropriate fields filled in with the correct information before the Auto-post date, the payment will automatically be processed into the department's budget with incorrect data. Not only can this result in an audit finding, but will definitely result in substantial posting errors to the General Ledger that will affect the department's budget and numerous District and State expenditure reports.

Audits

All P-Card transactions are subject to random and periodic review by both internal and external auditors. Based upon these audits, P-Cards may be suspended or revoked, disciplinary action may be taken, and/or criminal prosecution may result.

Travel Expenses – Athletics Only

Laredo ISD will be issuing P-Cards for student travel only. Once the cardholder has been given the right to use a purchasing card and he/she has been trained on how to execute card transactions, cardholder will be ready to use the assigned p-card for travel purposes. Existing LISD travel procedures listed in the LISD Operating Guidelines are applicable to the travel expenses with the purchasing card. All student travels should be approved by submitting travel requests through P-Card Travel Workflow at least two weeks prior to the student travel event. The P-card travel workflow acts as approval to attend the event, estimate travel expenses such as student meals and lodging, etc., and request for credit limit of the estimated travel expenses. The travel request shall be forwarded to the appropriate administrator for electronic approval and authorizing credit limits. Credit limits will be adjusted based on the authorized P-Card travel workflow. Alio should be utilized to request funds for registration fees. The travel request should be fully approved before the departure date. Before taking a trip, the Cardholder should ensure that the credit limits are substantial to cover all hotel and travel costs. This prevents the Cardholder from having to urgently contact their department to increase the limits while traveling. ***If the employee leaves before full authorization of the workflow, a violation will be documented to the cardholder.*** Travel for out of state/country shall be approved by the Superintendent. Accounting records shall accurately reflect that no state or federal funds were used to reimburse travel expenses beyond those authorized for state employees as per DEE (Local).

The student travel rates are: breakfast \$4.00, lunch \$7.00, and dinner \$10.00. Pre-game meals \$5.25. Savings from one meal cannot be combined with another meal. Only one receipt will be processed per meal. For sponsors/coaches who wish to purchase food from grocery stores, a meal plan needs to be submitted and approved by the principal. Excessive counts will not be tolerated and the sponsor/coach will be liable for the full amount.

Travel Reconciliation Form acts as the certification that the students traveled and reconcile actual travel expenses posted to the purchasing card. Only one receipt will be processed per meal. If the meal is provided in a function being attended, that meal will not be eligible for reconciliation purposes (such as continental breakfast, lunch, or dinner included in conference registration). ***All required receipts must be original and itemized*** in order to be considered for reconciliation.

The Internal Revenue Service (IRS) requires a settlement of advanced business expenses and it dictates that if a settlement is not received within a reasonable time period, that the amount of the advance will be deducted from the employee's next paycheck.

The district reimburses employees under an accountable plan which means:

- 1) Expenses must have a business connection - that is, the traveler must have paid or incurred deductible expenses while performing services as an employee of the district;
- 2) Traveler must adequately account to the district for expenses (receipts) within a reasonable period of time;

3) The traveler must reimburse LISD for any not allowable uses or exceeding purchasing authorized limits of the purchasing card within a reasonable period of time.

The cardholder should not use the p-card for Non Allowable Travel Expenses such as:

- First-class air fare
- Tips or gratuities of any kind (exception: allowed only for student group meals and included in the receipt, not to exceed the rates established by the restaurant)
- Alcoholic beverages
- Entertainment, recreation, or social events
- Any expense for other persons
- Valet Parking (self parking rate will be allowed)
- Automobile mileage or taxi fares for other than official business
- Personal accident insurance or personal effects coverage for rental cars
- Rental car for personal use or for purposes not associated with the official business of the meeting, conference, or workshop
- Travel allowances (i.e., per diem paid regardless of participant's actual expenses)
- Meal reimbursement for same day trips

ONLY employees (including bus drivers, monitors, etc) whose travel includes supervision of students are eligible for the same day meal reimbursement. Travel must be for outside City limits and for at least six consecutive hours. All costs must be substantiated with itemized original receipts. Meal purchases for others, to include family meals, will be disallowed. Purchases cannot be from local (City) restaurants/stores. The eligible employee will automatically forfeit reimbursement for failure to reconcile within five business days. No meal allowance will be granted when meals are covered by conference or registration fees, or any other instance in which the employee does not pay for the meal.

The Travel Reconciliation Form shall be submitted to the ***purchasing card program administrator / reconciler at Athletics Department within the five business days after the return of the traveler.*** All actual travel expenses shall be recorded on the settlement form, with receipts for all expenses except mileage and the original agenda (employee can keep the copy). Original itemized meal receipts are required.

Cardholders must provide evidence such as students listing and travel agenda in order to ensure that all travel expenditures are in compliance guidelines and to substantiate the cost of the travel. The employee will be deducted for the full cost of the travel if there is no evidence of attendance.

Cycle Dollar Limits and Increases

All P-Cards have spending limits. The District will be operating under the Cycle Transaction Limit, defined by the total dollars spent in a 30 day billing period. Automatic monthly limits will be established for each cardholder by the Program Administrator; however, these limits may be adjusted by the Program Administrator based on legitimate needs. A cardholder must not have expenditures over the set limit per cycle or the purchase will be declined. The Supervisor may make a written request for increase(s) and must be approved by the cardholder's appropriate Executive Director and Chief Financial Officer. The Program Administrator will review and respond to the request within 20 business days of request.

Warning: Spending should be limited to the amount of funds in your respective budget; otherwise, it would result in a violation to the P-Card Program Guidelines.

Lost or Stolen Cards

If a P-Card is lost or stolen, or the charges are fraudulent, the Cardholder is responsible for immediately contacting the Program Administrator for instructions. For Visa Assistance Center Services call 1-800-VISA-911 (1-800-847-2911).

To help protect your P-Card number from being stolen and against unlawful use, it is highly recommended that cardholders:

- Do not answer e-mails or phone inquiries from any sources other than the District about P-card information;
- Check transactions on a daily manner for fraudulent purchases;
- Forward any scam e-mails to Program Administrator.

P-Card Program Contacts

If you have any questions about specific issue, please contact the following individuals:

Contact	Telephone	E-mail	Subject
Flor Ayala, CPA, CFO	956-273-1043	fayala@laredoisd.org	Primary Program Administrator
Gustavo Alcantar	956-273-1080	Galcantar@laredoisd.org	Secondary Program Administrator- Purchasing Guidelines
Maria Lourdes Medina	956-273-1043	mlmedina@laredoisd.org	Program Administrator (BBVA CentreSuite)
Gloria Vargas	956-273-1073	gvargas@laredoisd.org	Back-up Program Administrator
Reveca Zarazua	956-273-1072	rezarazua@laredoisd.org	Back-up Program Administrator
Rene Ramirez	956-273-1220	rramirez@laredoisd.org	Program Administrator Athletics ONLY
Arleen Averill	956-273-1220	aaverill@laredoisd.org	Program Administrator Athletics ONLY
Carmen Diaz-Garza	956-273-1220	cdiaz@laredoisd.org	Back-up Program Administrator Athletics ONLY
Sandra Salazar	956-273-1061	ssalazar@laredoisd.org	Assigned Reconciler
Veronica Chaires	956-273-1048	vchaires@laredoisd.org	Back-up Reconciler



PURCHASING CARD AGREEMENT

APPENDIX A

Laredo Independent School District is pleased to present you with this purchasing card. It represents trust in you and your empowerment as a responsible agent to safeguard and protect LISD assets.

I, _____, have satisfactorily finished the mandated LISD Visa Purchasing Card training, and I have been informed about the content, requirements, and expectations of P-Card guidelines for employees at LISD. My card number is _____ (last 8 digits) and as a cardholder, I have received a copy of the P-Card guidelines and agree to abide by these guidelines.

I understand that Laredo Independent School District is liable to BBVA Compass Bank for the VISA purchasing card transactions that I will be conducting. I agree to use this card for LISD approved purchases only and not for personal use. I understand that LISD will audit the use of P-Cards and report any discrepancies.

I further understand that improper use of this card is a condition of my employment and continuing privilege of using the card at LISD. In addition, I agree to reimburse the District for any transaction cost not previously approved or associated with the District, even if I have terminated my job with LISD. I understand that LISD may terminate the right to use this card at any time for any reason as well as returning the card to the LISD as soon as my employment is terminated.

I understand that if I have questions, at any time, regarding the P-Card, I will consult with my immediate supervisor or the program administrator at Financial Services Department.

Cardholder Signature: _____ Date: _____

Cardholder Print Name: _____

Cardholder's Department: _____ Phone: _____

TEXAS HOTEL OCCUPANCY TAX EXEMPTION CERTIFICATE



NOTE: This certificate is for business only, not to be used for private purposes, under penalty of law. The hotel operator may request a government ID, business card or other identification to verify exemption claimed. Certificate should be furnished to the hotel or motel. DO NOT send the completed certificate to the Comptroller of Public Accounts. The certificate does not require a number to be valid. Refer to Hotel Rule 3.161 for exemptions.

Check exemption claimed:

- ☐ **United States government or Texas government official exempt from state, city, and county taxes.** Includes US government agencies and its employees traveling on official business. Texas state officials or employees who present a Hotel Tax Exemption Photo Identification Card, and diplomatic personnel of a foreign government who present a Tax Exemption Card issued by the US Department of State.
- ☐ **Religious, charitable, or educational organization or employee exempt from state tax only.** Educational organizations include school districts, private or public elementary and secondary schools, and Texas institutions of higher education as defined in Section 61.003, Texas Education Code. Beginning October 1, 2003, non-Texas institutions of higher education (public and private universities, junior colleges, community colleges) must pay the state hotel occupancy tax. Religious and charitable organizations must hold a letter of exemption issued by the Comptroller of Public Accounts to claim the exemption.
- ☐ **Other. Organization exempt by law other than Chapter 156, Tax Code.** Specify reason for exempt status below. **Supporting Documentation Required.**

Name of exempt organization	Organization exempt status (Religious, charitable, educational, governmental)
Address of exempt organization (Street and number, city, state, ZIP code)	

GUEST CERTIFICATION: I declare that I am an occupant of this hotel/motel on official business sanctioned by the exempt organization named above and that all information shown on this document is true and correct.

Guest name (Please print)

sign
here

Date

FOR HOTEL/MOTEL USE ONLY (OPTIONAL)

Name of hotel/motel				
Address of hotel/motel (Street and number, city, state, ZIP code)				
Room rate	Local tax	Exempt state tax	Amount paid by guest	Method of payment

You have certain rights under Chapters 552 and 559, Government Code, to review, request and correct information we have on file about you. To review or correct your state tax-related information, contact the Texas State Comptroller's office.

Hotels may require verification before accepting a hotel occupancy tax exemption certificate. An organization may qualify for hotel occupancy tax exemption even when it does not have a Comptroller's letter of hotel tax exemption or cannot be found on the Comptroller's list of exempt organizations. Some examples include churches, public schools and community colleges.

You may need to pay the tax until verification of hotel tax exemption can be obtained from the Comptroller's office. You can apply to the hotel for a refund or credit.

A list of charitable, educational, religious and other organizations that are exempt from state and/or local hotel tax is online at http://window.state.tx.us/taxinfo/exempt/exempt_search.html. Other information about Texas tax exemptions, including applications, is online at <http://window.state.tx.us/taxinfo/exempt/index.html>.

You can also send an e-mail to exempt.orgs@cpa.state.tx.us or call (800) 252-1385.

TEXAS SALES AND USE TAX EXEMPTION CERTIFICATION

Name of purchaser, firm or agency	
Address (Street & number, P.O. Box or Route number)	Phone (Area code and number)
City, State, ZIP code	

I, the purchaser named above, claim an exemption from payment of sales and use taxes (for the purchase of taxable items described below or on the attached order or invoice) from:

Seller: _____


Street address: _____ City, State, ZIP code: _____

Description of items to be purchased or on the attached order or invoice:

Purchaser claims this exemption for the following reason:

I understand that I will be liable for payment of all state and local sales or use taxes which may become due for failure to comply with the provisions of the Tax Code and/or all applicable law.

I understand that it is a criminal offense to give an exemption certificate to the seller for taxable items that I know, at the time of purchase, will be used in a manner other than that expressed in this certificate, and depending on the amount of tax evaded, the offense may range from a Class C misdemeanor to a felony of the second degree.

 Purchaser	Title	Date
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NOTE: This certificate cannot be issued for the purchase, lease, or rental of a motor vehicle.

THIS CERTIFICATE DOES NOT REQUIRE A NUMBER TO BE VALID.

Sales and Use Tax "Exemption Numbers" or "Tax Exempt" Numbers do not exist.

This certificate should be furnished to the supplier. Do **not** send the completed certificate to the Comptroller of Public Accounts.

