CHAVEZ HUERTA
K-12 PREPARATORY ACADEMY

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OBTAINING A CARD:
Contingent upon approval by the Executive Director or designee, an employee of CHPA may be eligible for a procurement card if they are designated as a manager or an administrator with an assigned budget to manage. The employee will be required to fill out the appropriate cardholder request forms which can be obtained from the Business Office. Cardholders must attend a training session on the proper use of procurement cards before the card is released to the cardholder. Additionally, the cardholder will be asked to verify that he/she has read and understands all applicable rules and procedures by signing a Procurement Cardholder's Agreement.

SECURITY OF THE CARD:
Security for the procurement card is the responsibility of the cardholder. Cardholders purchasing authority is limited by dollar amount per transaction, and dollar amount per cycle. Purchases are also limited by Merchant Category Codes, which restricts what can be purchased with procurement cards. Monitoring monthly purchase transaction reports generated from the Bank's reporting system provides additional internal control. Purchases will be verified by comparing these reports with procurement card logs.

USE OF THE CARD:
After appropriate approval is granted, contact the vendor and agree to the price, quantity, delivery date, etc. Inform the vendor that you are paying for the purchase with a CHPA procurement card and that this is a tax-exempt purchase.

CHPA is exempt from all state of Colorado sales tax and Federal excise taxes. A wallet size copy of CHPA's Tax Exemption Certificate will be provided to each cardholder. Do not pay for any taxes that CHPA is not obligated to pay. It will be the responsibility of the cardholder to obtain credit for any taxes that appear on a transaction.

A purchase receipt is required at the time of purchase and must be attached to the cardholder's log. Procurement Card logs must be turned into the Business Office on a weekly basis. If your purchase is being delivered to the school/department, you must inform the vendor that the cardholder's name, school/department, and the words 'Procurement Card Purchase' must appear on the packing slip, receipt, bill of lading or other shipping/delivery documents.

RESOLVING ERRORS AND DISPUTES:
In the event of an error or dispute it will be the cardholder's responsibility to resolve the issue with the vendor. If the cardholder is unable to resolve the issue with the vendor, it should be presented to the Business Office for further action. Upon resolution of any questioned items, credits must be issued to the cardholder's account for the amount of any adjustments.

If the issue is not resolved at the School/Department level, contact the Business Office and submit a written report of the situation and all related facts and circumstances as you understand them. All disputes must be submitted in writing to the Bank within 30 days of the statement date. Upon completion of any investigation, the cardholder will be notified of the resolution. For disputes that are not settled in the cardholder's favor, the account will be charged for the disputed transaction amount and any fees, if applicable.

PAYMENT:
CHPA will make payments each month for procurement card purchases made by CHPA authorized cardholders. Prior to payment, transactions must be reviewed and approved by the Business Office. The Business Office will be responsible for ensuring that the school/department level review has been completed and will monitor transactions for compliance with these guidelines and CHPA purchasing policies and procedures.

LOST OR STOLEN CARDS:
Lost or stolen cards must be reported **immediately to the Business Office and the Credit Card Company**. CHPA is not responsible for purchases made on a lost or stolen card after it has been reported to the Bank. The Business Office must be notified for accounting and internal control purposes.

When reporting a lost or stolen card to the Cardholder Service Center, inform the representative that the call is regarding a procurement card. Always obtain the name of the representative who took the report of the lost or stolen card and record the time and date of the report.

REFUSAL OF CHARGES:
If a purchase is declined at the point of sale, contact the Business Office immediately.

PROCUREMENT CARD AUDITS:
Procurement card activity may be subject to random audits by the procurement card administrator, the accounting department or other individuals authorized by the Executive Director. These audits will help to ensure that Procurement Card policies and procedures are being followed.

COPIES OF SALES DRAFTS:
Copies are available by communicating such request to Customer Service at the Bank. When the request is fulfilled, the account may be charged for each copy supplied and will be charged back to the school/department. Such requests should be made through the Principal for the school/department.

ADDITIONS, DELETIONS, CHANGES TO CARD:
Requests for additions, deletions and changes to procurement cards must be submitted in writing to the Business Office who shall have the right to deny such requests in whole or in part as deemed appropriate.

MANAGEMENT OF THE PROCUREMENT CARD PROGRAM:
The Business Office for CHPA has overall responsibility for managing the Procurement Card Program.

In addition to the Business Office, Principals/department heads also provide daily supervision of the procurement card program at the school or department level.

Each card holder is responsible for procurement cards issued in their name and all transactions on the procurement card. Only the cardholder whose name appears on the procurement card may use it. **DO NOT LOAN YOUR CARD TO ANYONE.**

Procurement cards must be surrendered upon notification by the Business Office that the Procurement Card Program has been terminated or cardholder privileges have been revoked.

Procurement cards must be immediately turned over to the Fiscal Services Manager upon termination of employment, whether for retirement, voluntary separation, resignation, or dismissal. The Fiscal Services Manager must immediately be notified when a card needs to be cancelled.

PROCUREMENT CARD RULES

The following rules and procedures are to be adhered to when utilizing a Procurement Card issued by Chavez/Huerta K-12 Preparatory Academy (CHPA).

1. Procurement card purchases must be preapproved with a PO# assigned and not exceed established monetary limits per single purchase and per charge cycle. Procurement card purchases may not be split to bypass single purchase limits. Cardholders may not make consecutive or near consecutive purchases to the same vendor for like items to bypass purchasing monetary limits, rules or procedures.

2. Procurement cards may not be used to purchase gift certificates, gift cards or calling cards.

3. Cash advances are prohibited.

4. CHPA tax exemption number may not be used for personal purchases. Procurement card privileges will be revoked immediately if there is a violation of this rule.

5. A procurement card log must be maintained by each cardholder and submitted to the Business Office on a weekly basis. The original receipt (not a copy) must be itemized and attached to the procurement card log. Failure to provide receipts is ground for revocation of procurement card privileges.

6. More than three (3) violations of non-compliance with Procurement Card Program rules and procedures will result in revocation of procurement card purchasing privileges for the cardholder involved.

7. **Procurement cards may <u>not</u> be used for the following purchases:**

Personal use	Cash advances
Stocks and bonds	Money orders
Calling Cards	Gift Certificates/Gift Cards
Alcohol	Narcotics, dangerous drugs
Firearms, Explosives	Foreign purchases
Precious metals	

Payments or reimbursements to individuals
Radioactive or other hazardous materials
Other purchases normally not allowed by CHPA policies, procedures & practices

*Some administrators may be authorized to use their cards for travel purposes in which case the appropriate travel reimbursement form must be completed and submitted with the procurement card log to document the purpose of the travel, mileage or other transportation, meals, lodging and other travel costs. Any costs in excess of CHPA allowable rates will be deducted from the employee's paycheck.

8. Procurement card purchases are not recorded as encumbrances against budgets. Purchases are paid and charged to schools/departments budgets at the time of payment by the accounts payable department. The cycle limit is not the same as your budget limits. Budgets must be reviewed for availability of funds before purchases are approved.

9. Except when in use by the cardholder, cards must be kept secured at all times.

10. Procurement card purchases should be limited to merchandise in stock only. No back orders or partial shipments are allowed. Shipments should be shipped free of charge (FOB) CHPA, whenever possible.

11. **Last Revised** April 16, 2024