

# Purchasing Card Policy

## Policy

### Intent

The Birmingham City Schools Purchasing Card (also referred to as a Procurement Card or P-Card) was designed to make the purchase of relatively small dollar items easier for the department. Use of the card is not, however, intended to replace the bid process or the purchase order process where that process is appropriate. Cardholders should be aware of and sensitive to the **State Bid Law** and contact the Director of Purchasing for assistance when it is expected that an aggregate of \$15,000 or more of one commodity will be purchased during the fiscal year. In many cases, Purchasing can also be of service in negotiating discounts or more favorable pricing on lower dollar purchases.

### Goals

The goals in establishing a purchasing card program included: allowing departments to acquire goods and supplies in a timelier manner, increasing vendor satisfaction through reduced paperwork and faster payment, reducing departmental “hassle” with vendors, reducing the number of vendor checks written, lowering overall transactions processing costs per purchase, increasing management information on purchases history, providing information to Purchasing that might allow Purchasing to negotiate discount prices, allowing all areas to focus their efforts on higher dollar higher exposure items, and producing revenue sharing opportunities from the financial institution based upon dollar volumes of total purchases.

### Controls

BCS Purchasing Card program utilizes both internal management controls and a number of management reports designed to ensure the purchasing cards are being used in accordance with BCS policies and procedures found in the Finance Procedures Manual and the Purchasing Card user’s guide. Management reports are used by Purchasing and Finance to monitor card use for compliance with these policies and procedures.

The responsibility for card control ultimately rests with each purchasing card user. The procedures contained in the Purchasing Card user’s guide are designed to protect both the user and the District. It is considered a privilege, not a right, to participate in the program and it is expected that these procedures will be followed.

### Misuse of the BCS Purchasing Card

All purchases made on the card must be for official BCS business. Misuse of the card will result in revocation of the card, disciplinary action up to termination, and possible filing of criminal charges. Also, as a condition for receiving a card, the employee must agree in writing that BCS can withhold from the employee’s paycheck any unauthorized charges made by the employee. This withholding from a paycheck will only occur after consultation with the employee.