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| | **Administrative Procedure**<br>**Use of Purchase Cards** | |
| | **Department:** | **Corporate Services** |
| | **Approved by:** | **Leadership Council** |
| | **Date Approved:** | **January 8, 2024** |
| | **Revision Date(s):** | **June 2, 2026** |
| | **Review Date:** | |
| | **External References**<br>• *The Financial Administration Act, 1993* | |
| | **Internal References**<br>• Appendix A- Links to Useful Resources | |

## Purpose

- This administrative procedure establishes guidelines and steps for the appropriate and responsible use of purchase cards within Saskatchewan Distance Learning Centre (Sask DLC).

## Scope

- This procedure applies to all staff members of Sask DLC who are authorized to use purchase cards for eligible purchases on behalf of Sask DLC. It encompasses the acquisition of goods and services necessary for conducting official Sask DLC activities and outlines the steps required to ensure compliance with the Government of Saskatchewan's financial regulations and ethical standards.

## Policy Statement

- Sask DLC aims to promote responsible use of purchase cards while maintaining integrity, transparency, and ethical principles.

## Procedures:

The following principles from the Government of Saskatchewan (Government) guide the use of purchase cards issued by Sask DLC:

1. Treasury Board Policy:
   a. Sask DLC employees are expected to do their best to ensure that purchase cards are used for eligible purchases.
   b. The maximum transaction limit for purchase cards is $10,000 (including taxes) unless approved by Sask DLC Executive Directo of Finance, Planning and Human Resources or Director of Finance.

2. Financial Directives**:**
   a. Purchase cards provide purchasing and payment efficiencies for low-value goods and services while maintaining strong controls. Purchase cards are issued to individuals, not organizational units.

b. Travel expenses may be charged to purchase cards as well as business expenses may be paid with a purchase card. While government organizations are expected to use purchase cards for these expenses to the extent possible, there may be circumstances where this is not practical.
c. Organizations must designate one or more employees to act as their Purchase Card Coordinators (CC). These individuals will work with the Government Purchase Card Program Administrator in the Ministry of Finance and will be the primary organizational contact.
d. The Executive Director of Finance, Planning and HR at Sask DLC processes the Sask DLC requests for changes to CCs' access to the bank's online software for purchase cards. To set up new CCs or removing existing ones, the Executive Director of Finance, Planning and HR at Sask DLC submits a request to the purchase card bank's P-Card administrator.
e. Requests to remove CCs must be submitted before CCs change roles or terminate employment with the organization.
f. Organizations are responsible for coordinating the initiation and cancellation of purchase cards directly with the purchase card bank. Organizations are responsible for setting up and maintaining appropriate user access to the purchase card bank's online software.
g. Organizations must close a purchase immediately after a decision has been made, resulting in a purchase card no longer being required or by the cardholder's last day of employment with the organization. Purchase cards may not be transferred from one organization to another.

3. Enrolment:
   a. Cardholders must complete a card account request and sign a Cardholder Acknowledgement of Responsibility Form. CCs are responsible for ensuring these forms are completed. Each cardholder is given a transaction limit and a monthly purchase limit. Ministries/Agencies setting limits exceeding $100,000 must be approved by the Vice President of Corporate Services or Chief Executive Officer (CEO).
   b. How to get a Purchase Card:
      i. Get approval from the Executive Director of Finance, Planning and Human Resources – consent must be in writing (e.g., email).
      ii. Fill out the form that will be provided. Then follow the process that is stated in the form.
      iii. Submit the form by email or the instructions provided in the form.

4. Purchase Authority: Cardholders must have appropriate delegated authority to purchase goods and services.

5. Procedures: Organizations must ensure procedures are in place for the following:
   a. acquiring goods and services;
   b. receiving goods;
   c. receiving partial shipments;
   d. managing return of goods;
   e. resolving disputed transactions; and,
   f. filling purchase card statements with attached receipts and backup documents.

6. Training: Organizations must ensure CCs, cardholders and approvers are provided adequate training on their respective responsibilities, relevant policies and procedures, as well as the use of the purchase cards bank's online software.

7. Use:
   a. Purchase cards may be used to acquire goods and services while on-site at the point of sale, over the telephone and via the Internet.
   b. As outlined in the Cardholder Acknowledgement of Responsibility Form, cardholders are required to:
      i. follow all applicable policies and procedures of the Government of Saskatchewan (including the Financial Administration Manual produced by the Financial Management Branch of the Provincial Comptroller's Office of the Ministry of Finance – refer to Section 4505 Purchases of Supplies and Services); and,
      ii. retain receipts and other appropriate documentation for all purchases. These should be attached to a copy of the online statement.

8. Restrictions:
   a. Unless otherwise approved by the Director of Finance at Sask DLC, a purchase card cannot be used to acquire the following:
      i. personal purchases;
      ii. meals and mileage-related expenses for private vehicle usage incurred by employees while travelling on government business are reimbursable through the Finance system by submitting an employee expense with appropriate supporting documents and approval. This is because these are reimbursable at set rates rather than based on actual costs paid;
      iii. travel payments for the Minister except when air travel charges are made on air billing account in the Minister's Office Air Billing corporate account (refer to Section 3130 Air Billing Accounts);
      iv. payments to another ministry;
      v. expenses (i.e., fuel, repairs) paid by the Ministry of SaskBuilds and Procurement for Central Vehicle Agency (CVA) vehicles (refer to the CVA Operator's Handbook for further information); and,
      vi. cash advances.
   b. Personal supplier reward program points may not be collected by cardholders on purchases made with their government-issued purchase card.

9. Inappropriate Use: Where inappropriate card use occurs, organizations must address the issue with the cardholder and, if necessary, confiscate the card. Inappropriate card use must be reported to Sask DLC Department of Finance.

10. Cardholders when coding transactions must split out GST to be separated from the rest of the transaction and coded to the GST natural account accordingly. PST should be included with the remaining portion of the transaction.

11. Card Security: Cardholders must not share their card number with any other person. Cardholders must follow all security instructions and directions provided by the purchase card bank.

12. Lost and Stolen Cards: Cardholders must immediately notify the purchase card bank and their CC if their card is lost or stolen.

13. Disputed Charges: Cardholders must immediately follow up and report all disputed charges to the purchase card bank and their CC. Organizations are responsible for resolving disputed transactions promptly, as outlined in the Government Purchase Card manuals.

14. Invoice and Cardholder Statements: The purchase card bank provides Sask DLC with a monthly invoice and electronic cardholder statements for the previous billing cycle. The monthly invoice includes all purchase card transactions for Sask DLC.

15. Reconciliations:
    a. Each cardholder, or an appropriate substitute, must reconcile the cardholder's receipts to the transactions recorded in the Finance system.
    b. A monthly reconciliation must be completed every month. No exceptions.
    c. Cardholders must complete their monthly reconciliation by the 5th of the month.
    d. Purchase Cards will be automatically paid on the payment due date.
    e. Every year in August, all purchases made in August must be coded, receipts uploaded and approvals completed in the Finance system by August 28th.
    f. For year-end reconciliations, no purchases can be made on a Purchase Card from August 25th to August 31st of each year.

16. Approvals:
    a. Organizations must ensure that all cardholder transactions are approved by employees that have an appropriate level of delegated authority to approve payments.
    b. All purchases made with a Purchase Card require pre-approval before any purchase can be made on the Purchase Card:
        i. Pre-approval must come from someone with appropriate signing authority for the amount and pre-approval from the person that oversees the budget that item will always be coming out of.
        ii. An invoice must always be obtained.
        iii. Once the invoice and pre-approval have been obtained, the purchase can be made.

17. Segregation of Duties: Organizations must ensure duties are properly segregated to prevent individuals from being able to both initiate and approve their own purchases.

18. Monitoring: Organizations must monitor purchase card transactions to ensure they are reconciled and approved according to the purchase card policy.

19. Internal Controls:
    a. Organizations are responsible for processes and controls to ensure purchase card use complies with applicable laws, policies, and procedures of the Government.
    b. Organizations are responsible for having an individual, who is independent of the purchase card administration processes, perform the following functions periodically:
        i. verify that there is proper segregation of duties;
        ii. verify that user access in the purchase card bank's online software is current and appropriate (e.g., approver users align with the Sask DLC's delegated authority to approve payments;
        iii. verify that open cards reflect those authorized and that they continue to be required; and,

iv. verify that the cards' transaction and monthly purchase limits in the purchase card bank's online software agree with the authorized limits.

20. Paying Invoices: Organizations must pay the monthly invoice in full and on time each month to avoid interest charges. Organizations must pay within 21 days of the end of the billing cycle (i.e., the 24th of the month or the first business day after that). Refer to Section 3152, Interest on Late Supplier Payments.

21. Forms: Organizations are not required to include supplier information with the monthly purchase card payment, but must be able to provide, on request, supplier payment information that complies with the Public Accounts disclosure policy. Refer to Section 2010 Reporting Payee Details in the Public Accounts.

**Definitions:**

1. Billing Cycle: Refers to the billing cycle is from the 1st to the 28th of the month.
2. Corporate Account: Refers to a segregated account established with the purchase card bank to provide for different types of billing and payment arrangements.
3. Purchase Card Bank: Refers to the financial institution contracted to provide the purchase cards and online software for the Government Purchase Card Program. Currently, the Government of Saskatchewan's purchase card bank is the Bank of Montreal.

## APPENDIX A: LINKS TO USEFUL RESOURCES

1. 2010 Reporting Payee Details in the Public Accounts
2. 3100 Payments from the GRF
3. 3101 GRF Payment Responsibilities
4. 3130 Air Billing Accounts
5. 3134 Travel Cards
6. 3152 Interest on Late Supplier Payments
7. 3156 Taxes on Goods and Services
8. 4405 Employee Travel
9. 4420 Business Expenses for Ministry Officials
10. 4430 Ministers' Travel and Business Expenses
11. 4435 Frequent Flyer Points
12. 4505 Purchases of Supplies and Services
13. 4510 Contracts for Services