

PURCHASE PROCEDURES CREDIT CARD

The use of a School District credit card by a purchasing agent to make a purchase is considered as the issuance of a purchase order and is controlled by all sections of Purchasing Procedure Policy DJB. All requirements of the Purchasing Procedure Policy apply to the use of credit cards when making such purchases and processing related payments. The purchasing agent should use the credit card when it helps to extend the length of time between the time of purchase and the payment of the purchase.

Unless previously approved, the total amount of each purchase may not exceed a limit of \$50,000 or a lesser amount established by the Superintendent.

The credit card should be used only when it is not practical to use a standard purchase order, for example, to make purchases over the Internet. All charges made by a designee shall be authorized by the Business Administrator prior to payment.

Credit limits per card will be no more than \$50,000 dollars. Splitting of charges to avoid the Transaction Limit set for the credit card is prohibited. Limits may be temporarily increased with the Superintendent's approval for an urgent purchase. The School Board will be notified of such purchase at their next regularly scheduled meeting.

Credit limits per card will be no more than \$50,000 dollars. The total of all District credit card limits is capped at the District's line of credit.

Limits (to individual cards) may be temporarily increased with the Superintendent's approval in the rare occurrence when a purchase is time sensitive.

The School Board will be notified of such purchase at their next regularly scheduled meeting.

The use of the credit card is for School District purchases only. No personal charges can be made on credit card(s).

In using the credit card the cardholder should: (1) ensure that the goods being purchased are budgeted and allowable; (2) determine if the intended purchase is within cardholder's credit limit; (3) tell the supplier/merchant that the purchase will be made using the credit card issued by the credit card issuer through the School District; (4) inform the merchant that the purchase is tax exempt; and (5) further the cardholder will be responsible for managing any returns or exchanges and insuring that proper credit is received for returned merchandise. The cardholder should contact the vendor to obtain instructions for return and review the next credit card statement to insure that the return was properly credited.

Use of the card for meals is limited to travel outside of the School District where at least one overnight stay will occur or when the meal is for business purposes at the convenience of the School District. Meals to promote goodwill or to boost morale are not considered at the convenience of the School District. There will be no charges allowed for alcohol or

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entertainment.

No cash advances (ATM, travelers' checks, money orders, etc.) are allowed using the credit card.

The Business Administrator is required to authorize payment of the actual invoices prior to forwarding to finance. This includes the charges made by the designated individuals.

All purchases made with credit cards shall be paid for within the grace period so that no interest charges or penalties will accrue.

Any incentive program benefits derived by the use of School District credit cards shall be the property of the School District. The Superintendent or his or her designee will determine the use of such incentive program benefits.

All cardholders should take all measures necessary to ensure the security of the credit card and credit card number. Cardholders shall not give their card or their card number to others to use on their behalf. The exception is when the card is used to purchase an item online or over the telephone.

Lack of processing the necessary transactions into the accounting system or lack of proper documentation or authorizations may result in loss of credit card privileges and/or personal liability.

Misuse of a School District credit card by an authorized employee may result in loss of the credit card and/or disciplinary action against the employee, up to and including termination of employment.

PROCEDURES:

- A. The Superintendent and Business Administrator acting jointly will make decisions regarding the issuance of individual cards and the establishment of any and all additional controls on their use.
- B. Each authorized cardholder must sign an Agreement to accept School District credit cards prior to issuance of the credit card. Forms to be kept on file by the Finance Department.
- C. For each purchase made with a School District credit card a purchase order will be entered into the accounting system, encumbering funds.
- D. All detailed and/or itemized receipts related to the purchase should be forwarded with any receiving documents and the receiving copy of the purchase order signed by the Business Administrator. Lack of detailed receipts may result in personal liability to the cardholder.

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- E. The Business Office will reconcile the amounts per the credit card statement to purchase orders entered into the accounting system and to receipts forwarded by the purchaser. Exceptions will be forwarded to the individual involved for resolution. The Business Office will verify the expenditure object code designated per transaction by the department and adjust, if necessary.

- F. The Business Office will arrange for timely payment of the statement.
 - A. In case of an exception or disputed charge, the cardholder should first contact the supplier. Most exceptions or issues can be resolved at this level. When the vendor corrects the problem, the Business Office should see the correction on the next monthly statement. If the cardholder cannot reach an agreement with the supplier, the next step is to contact the Business Administrator for escalation.

 - B. It is the responsibility of the cardholder to immediately notify the business administrator of a lost or stolen credit card. Failure to properly notify the issuing bank of the theft or loss of the credit card could make the School District responsible for any fraudulent use of the card and result in lost privileges for the cardholder.

 - C. Upon separation of employment, cardholders must surrender their School District credit card to the Business Administrator, or designee on or before their last day of work.

Proposed: 05/20/19
Adopted: 06/17/19
Proposed: 02/01/2021
Approved: 03/01/2021

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Agreement to Accept School District Credit Card

I, hereby acknowledge receipt of a School District credit card, number

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As a cardholder, I agree to comply with the terms and conditions of Policy DJB-A. I acknowledge receipt of the policy and I have read and understand its terms and conditions.

As the holder of this credit card, I agree to accept responsibility for the protection and proper use of this card as outlined in the policy. I understand that the School District will audit the use of this credit card. I understand that I CAN NOT use the credit card for personal use even if the intent is to reimburse the School District.

I further understand that improper use of this credit card may result in disciplinary action, up to and including TERMINATION of employment. I also agree to allow the School District to collect any amounts owed by me even if I am no longer employed by the School District. If the School District initiates legal proceedings to recover amounts owed by me under this Agreement, I agree to pay all legal fees incurred by the School District in such proceedings.

I understand the School District may terminate my rights to use this credit card at any time for any reason. I agree to return the credit card to the School District immediately upon request or upon termination of employment.

Cardholder

Date

Business Administrator

Date