

## **CREDIT CARD POLICY**

The use of credit cards brings a greater efficiency to the purchasing process and enable Cardholders to respond expeditiously to daily School needs. The School has established a credit card program that will allow authorized users/Cardholders to charge appropriate School expenses.

### **DEFINITION OF CREDIT CARD**

For purposes of this policy a “credit card account” means any bank-issued credit card account, store-issued credit card account, financial institution-issued credit card account, financial depository-issued credit card account, affinity credit card account, or any other card account allowing the holder to purchase goods or services on credit or to transact with the account and any debit or gift card account related to the receipt of grant moneys.

### **AUTHORIZED USERS/PURCHASES**

Only individuals as specifically authorized by board resolution are authorized users for the school credit card/s (“Cardholder”). Each Cardholder must sign the Cardholder Agreement attached hereto prior to receiving the credit card. Other than the designated Fiscal Officer, no officer or member of the Board of Directors will be a Cardholder.

### **ACCOUNT REQUIREMENTS, CREDIT & SPENDING LIMITS**

The School’s name shall appear on each instrument related to the account including cards and checks.

The School’s credit card account’s maximum credit limit shall be \$\_\_\_\_\_. Each Cardholders monthly spending limit shall be \$\_\_\_\_\_.

### **PERMITTED TRANSACTIONS**

School credit cards may only be used for school expenses serving a proper public purpose for the benefit of the school. (For example, purchase of copy paper or pencils or cookies for parent-teacher conferences.)

### **PROHIBITED TRANSACTIONS**

Cardholders are expected to use their credit card only for permitted transactions. Some purchases may not be made using the credit card. Prohibited purchases include, but are not limited to:

- Personal purchases
- Cash advances/disbursements from financial institutions
- **GIFT CARDS** from any establishment for any reason
- Salary and monetary awards
- Consultant and maintenance agreements (**one-time** emergency repairs are permissible)
- Purchases from sources in which the Cardholder has a financial or fiduciary interest
- Entertainment and alcoholic beverages at any type of establishment
- Vehicle expenses for personal vehicle (examples: gasoline, carwash, auto parts, repairs)
- Pagers, cellular phones

**CARDHOLDER RESPONSIBILITIES**

Cardholders are responsible for:

- Obtaining itemized receipts for credit card transactions
- Ensuring the amount authorized under this policy shall not exceed their monthly limit
- Ensuring all transactions are permitted purchases on behalf of the School
- Properly substantiating and recording the School purpose of each transaction
- Immediately reporting a lost or stolen card to the Fiscal Officer
- Immediately reporting any fraudulent use or misapplication of the credit card to the user's immediate supervisor or Fiscal Officer

**PROCEDURES FOR SUBMITTING RECEIPTS**

- Cardholders must submit itemized receipts to the School Leader or in the case of the Cardholder being the School Leader to the Fiscal Officer within seven days of purchase.

**RETURNS AND CREDITS**

Purchase returns and credits for purchases originally made with a School credit card must be credited back to the credit card. Cardholders are prohibited from accepting cash back for returns and credits.

**CONSEQUENCES FOR MISUSE/POLICY VIOLATIONS**

- Cardholder will reimburse the School for personal, unauthorized, or inappropriate purchases. Reimbursement may be obtained by withholding of wages or other moneys owed by the School to Cardholder.
- Cardholder may be required to obtain additional training on use of the card
- Repeated negligent misuse will result in revocation of the status as a Cardholder
- Knowing misuse will result in revocation of the status as a Cardholder and may subject Cardholder to employment sanctions, including termination of employment or other affiliation with the School.

**DOCUMENTING EACH TRANSACTION**

Every transaction **MUST** have valid and complete source documentation from the vendor.

**Valid source documentation should be:**

- An itemized receipt from the merchant; or
- An invoice or a packing slip showing procurement card payment and listing individual items and cost for each

**All documentation must include the following information:**

- Vendor name
- Date of purchase
- Description, quantity and unit cost of each item purchased
- Total cost
- Cardholder name and/or at least partial card number

**PENALTIES AND LATE FEES**

Any individual (whether a Cardholder or Fiscal Officer) whose actions or non-actions cause the incursion of any late fees, penalties, or additional interest charges shall be held personally responsible for the payment of the late fees, penalties, or additional interest charges.

**COMPLIANCE OFFICER**

Unless the Fiscal Officer retains general control of the credit card account and any cards, the governing authority shall appoint a compliance officer. If the school leader with the authority to use the credit account is appointed as compliance officer, the governing authority shall review the credit card account monthly and sign an attestation that the governing authority reviewed the account.

The compliance officer, if applicable, and the governing authority shall at least quarterly shall review the following:

- the number of cards and accounts issued
- the number of active cards and accounts issued
- the card and account expiration dates
- the card and account credit limits

**ANNUAL REPORTING**

Annually the Fiscal Officer shall provide the governing authority with a report detailing all rewards received based on the use of all school credit cards.

## CREDIT CARDHOLDER AGREEMENT FORM

I, \_\_\_\_\_, agree to the following regarding my usage  
(*name of user*)  
of the School credit card.

1. I understand that I am being entrusted with a valuable tool for making financial commitments on behalf of the School so that the School may obtain its best value for these financial commitments.
2. I understand that under no circumstances will I use the credit card to make personal purchases, either for others or myself. I understand that willful intent to use the credit card for personal gain may result in disciplinary actions including termination of employment and possible criminal charges.
3. I have read the Credit Card Policy and I will adhere to the Policy and established procedures for using the credit card in its current version and any subsequent revisions. I acknowledge that failure to do so may result in revocation of my user privileges and other disciplinary actions, including termination of employment or affiliation with the School.
4. I have been given a copy of the credit card policy and understand the requirements for using the credit card.
5. I agree that should I violate the terms of this agreement, I will reimburse the School for all incurred charges and any fees related to the collection of those charges.
6. I agree to reimburse the School for any missing receipts or any late fees, penalties, or additional interest charge due to any actions or non-actions on my part.

\_\_\_\_\_  
User Name (PRINT)

\_\_\_\_\_  
User Signature

\_\_\_\_\_  
Date

**Sign and return to Fiscal Officer**