

**INDEPENDENT SCHOOL DISTRICT 518
CORPORATE CREDIT CARD POLICY**

Procedures Manual Independent School District 518

Credit Cards were issued to the following Administrators

Title - Superintendent	(TEL) 507-372-2172
Title – Assistant Superintendent	(TEL) 507-372-2172
Title – Director of Human Resources	(TEL) 507-372-2172
Title – High School Principal	(TEL) 507-376-6161
Title – Middle School Principal	(TEL) 507-376-4174
Title – Intermediate School Principal	(TEL) 507-727-1275
Title - Elementary Principal	(TEL) 507-727-1250
Title – ALC/VIBE Principal	(TEL) 507-372-1605
Title – Director of Community Education	(TEL) 507-372-1200
Title – Activities Coordinator	(TEL) 507-370-2119

**Independent School District 518
1117 Marine Avenue
Worthington, MN 56187**

Introduction to Credit Card Policy

The Independent School District 518 Corporate Credit Card is an opportunity to reduce paperwork, expedite the purchasing process at the department level and reduce Independent School District 518 administrative expenses.

Historically, Independent School District 518 has used numerous other methods to make low dollar value purchases. The Corporate Credit Card process will allow Independent School District 518 to realize savings in administrative processing costs while providing a customer friendly, efficient and effective method to buy low dollar value goods and services.

Exercise good judgment and act within your authorized budget when using your card. The Credit Card is either issued to you or provided for your use to purchase school commodities and all activity will be assumed to have been incurred by you. We ask you to maintain simple but accurate records and receipts for auditing purposes.

Independent School District 518 is working to continually improve the way business is conducted and your feedback is critical to achieving that goal. Your use of an Independent School District 518 Corporate Credit Card for appropriate purchases can help the district achieve savings by decreasing the amount of checks we process each month. The Corporate Credit Card is utilized as another option to make low dollar value purchases, the program will continue to evolve and transform as it best fits the District's needs.

Record keeping will be essential to ensure the success of this program. This is not an extraordinary requirement since standard reimbursement policies require the retention of all receipts.

Finally, remember you are spending District/public funds each time you use the Credit Card.

If you have any questions about the program or need additional information, please contact:

Carmen Johnson – Director of Human Resources	(Tel) 507-372-2172
Ryan Swanson – District Accountant	(Tel) 507-372-2172

As personnel changes take place due to hiring, reassignment or termination; the Superintendent will update the authorized signer list with the issuing credit card company.

Acceptable Card Credit Purchases

Any purchases using the credit cards must be within Independent School District 518 expenditure policies, procedures, practices and Minnesota Statute 123B.02 Subd. 23. Purchases not meeting these requirements will be the personal responsibility of the employee using the card.

The following information provides examples of purchases that are appropriate for the Worthington Public School Credit Card:

- ☺ Fuel (District 518 owned vehicles only)
- ☺ Approved supplies for your program
- ☺ Conference/Seminar registrations
- ☺ Travel/Conference expenses (employee only)
- ☺ Bookstores
- ☺ Craft supplies
- ☺ Instructional games and toys
- ☺ Hardware Stores
- ☺ Other miscellaneous items that apply to your program and budget

Unacceptable Card Credit Purchases

The following items define where the Credit Card is **not** an appropriate choice:

- ☹ Personal purchases (i.e. including spouse/family costs for attending a conference such as higher room costs, meals, etc.)
- ☹ Alcoholic Beverages/tobacco
- ☹ Lottery Tickets
- ☹ Cash Advances, or ATMS's
- ☹ Gift Certificates
- ☹ Fuel for personal use or vehicle
- ☹ Local businesses that the District has established charge accounts

This list is not intended to be all-inclusive. If you have specific questions, please call the District Office for assistance.

Program Restrictions

Each Credit Card has been assigned a credit limit.

Reconciliation and Payment

The Independent School District 518 Corporate Card carries corporate, not individual, liability. A single invoice covering all Credit Card purchases will be paid each month by Accounting. You will not be required to directly pay your monthly statement using personal funds. The Credit Card does not impact your personal credit rating in anyway.

To meet State and District payment policies, it is required that you submit all original receipts with the monthly statement for all purchases made using the credit card. If you purchase via phone or mail, require the merchant to include a receipt with the goods when the product is shipped to you. If that is not possible, you must obtain a packing slip when the shipment is received to document the purchase.

The cardholder should keep a transaction log of all receipts and statements. The log serves to remind cardholders of transactions and assists in reconciliation of the monthly statements. A periodic audit will be conducted of card activity, retention of receipts, reconciled detail and signed monthly statements.

Misuse of the Credit Card includes:

- ⊗ **Using the Credit Card for personal purchases**
- ⊗ **Purchase of unauthorized items**
- ⊗ **Use of the Credit Card by someone other than the cardholder**
- ⊗ **Fraudulent or inaccurate record keeping**
- ⊗ **Or diverting legitimate school purchases to personal use**

In the case of misuse, the individual responsible will pay all transaction fees and forfeit further use of the credit card.

When Your Records Do Not Agree with Your Monthly Statement

There may be an occasion when you find items on your transaction log that do not correlate with your retained receipts or monthly cardholder statement. Reconciliation of your monthly statement is very important to determine if you made a particular transaction, the amount of the transaction is correct, or you have a quality or service issue.

Your first recourse is to contact the merchant involved to try to resolve the error. If the merchant agrees that an error has been made, your account will be credited. Highlight the transaction in question on your statement as a reminder that the item is still pending resolution. Be sure to check that the credit is received on your next monthly statement.

You are responsible for the transactions identified on your statement. When an audit is conducted on your account, you must be able to produce receipts that an Independent School District 518 approved transaction occurred. If an error is discovered, you are responsible to show that the error or dispute resolution process has been followed.

Lost or Stolen Cards

The Credit Card is the property of Independent School District 518 and should be secured just as you would secure your personal credit cards. Preferably the card will be kept in a secure location in a District building when not in use. If your card is lost or stolen contact (card provider) customer service number (1-800-_____) immediately, then notify the District Office. When calling customer service, be prepared to provide your social security number.

Upon notifying (card provider), the card will be deactivated immediately. If the card is reported lost or stolen and is later used, the Merchant will decline it. Prompt action in these circumstances is very important to reduce Independent School District 518 liability for fraudulent charges.

Sales Tax

Merchants are usually required by taxing authorities to include sales tax when goods are purchased. The amount is dependent on a variety of factors, including the state and city where you are purchasing the goods.

Purchases of items by public or non-profit private schools for their own use are generally exempt from sales tax. The exemption applies to the public or non-profit schools, not to the individual.

It is the cardholder's responsibility to notify the merchant that Independent School District 518 **is tax exempt**. The state tax exempt number and form are available from the District Administration Office. You will need to make a copy of the form, insert the vendor name, and then date the form prior to issuance (i.e., faxing or mailing). Do not distribute this form to any other employee in the organization. If they need one, they will be provided with a copy.

Additional information on sales tax for purchases is available at:

www.taxes.state.mn.us

Should you have additional questions, please contact the District Office for assistance.

Credit Card Glossary

Retail	Face to face transaction where cardholder presents the Credit card to the merchant and the card are physically swiped through the terminal.
Administrator	Person authorized to oversee and make decisions regarding expenditures.
Customer	The card user and Administrator.
Vendor/Merchant/Supplier	Synonymous terms, meaning the place where you make the purchase.
Program Card Administrator	A District employee(s) administering the purchase Card program.
Revocation	To nullify by withdrawing, recalling or reversing card privileges.
Receipt	Written acknowledgement that merchandise or service has been received.
Invoice	An itemized list of goods or services shipped or received with an account of all costs.
Statement	Summary of all sales in a given period. (NOT AN INVOICE)
Strategy	Operational criteria defining purchasing limit controls which are tied to each individual account.
Point of Sale (POS) Terminal	A device placed at a vendor/merchant/supplier location which is connected to the bank's system via the telephone lines and is designed to authorize, record, and forward data by electronic means for each sale.
Cardholder	An individual to whom a Credit Card Purchase Card is issued.
Merchant Category Code (MCC)	A four-digit classification code used in the authorization and settlement systems to identify the type of merchant, also commonly known as, Standard Industrial Code (SIC).
Reconciliation	Check to assure receipts match with monthly statements.

ACKNOWLEDGEMENT OF RECEIPT OF THE INDEPENDENT SCHOOL DISTRICT 518 CREDIT CARD

I acknowledge that, on the date indicated below, I received my Credit Card. I have previously received a copy of the procedure manual explaining the use and responsibilities of the Credit Card.
I understand that:

The Independent School District 518 Credit Card is a cost-effective method for the purchase and .payment of small dollar material transactions

.The Credit Card is to be used solely for business purchases; not personal purchases

I am responsible for reconciling monthly statements and maintaining accurate accounting records.

Should my employment with Independent School District 518 terminate, I am responsible for returning the Purchase Card to the Program Card Administrator.

Employee Signature_____

Employee Name_____
(Please Print)

Date: _____

Please return this form to District Accountant Supervisor

**Independent School District 518
Credit Card Order Log**

Cardholder Name: _____

Office Location: _____

Department: _____

For The Period: _____

Date Ordered	Date Delivered	Total \$ Amount	Description	Expense Code
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
18				
20				

Cardholder Signature: _____

Date: _____

Authorizing Signature: _____

Dept/Title: _____

Date: _____

RETAIN LOG AT SITE/DEPARTMENT

CARDHOLDER MISUSE REPORT

Date: _____

Location: _____

**DESCRIPTION OF
MISUSE:** _____

**ACTION
TAKEN:** _____

RECOMMENDATION: _____

**SUBMITTED
BY:** _____

**TELEPHONE
NUMBER:** _____

**SUBMIT THIS FORM TO THE PROGRAM CARD ADMINISTRATOR
IMMEDIATELY FOR REVIEW AND PROCESSING**

TERMS OF REVOCATION FORM

As an authorized user of the Credit Card Purchase Card, I understand that I am the only person authorized to make purchases with the Purchase Card issued to me and that such purchases must be in connection with my employment with, for the benefit of, and authorized by Independent School District 518.

I understand that the following items constitute misuse of the Credit Card Purchase Card and that any misuse will result in the revocation of my privileges to be a Credit Card Purchase Cardholder, and may result in revocation of all departmental and/or divisional Purchase Card privileges.

Misuse of the Credit Card Purchase Card includes the following:

- ⊗ **Using the Credit Card Purchase Card for personal purchases**
- ⊗ **Purchase of unauthorized items**
- ⊗ **Use of the Purchase by someone other than the cardholder**
- ⊗ **Fraudulent or inaccurate record keeping**
- ⊗ **Or diverting legitimate school purchases to personal use**
- ⊗ **Local Business that the District has established charge accounts**

If the Credit Card Purchase Card is used for personal purchases, for unauthorized items or by someone other than myself, I hereby agree to personally pay either Independent School District 518 or the vendor for such purchases and hereby authorize Independent School District 518, if necessary, to withhold from my paycheck any amount necessary to pay these charges.

Name of Cardholder _____ Date _____
(Please Print)

Cardholder's Signature _____

NOTE: In addition to the above consequences for misuse of the Credit Card, Independent School District 518 retains the right to take further action, whether in the form of disciplinary action, termination of employment, and/or legal prosecution, in the event of gross misuse or fraud involving District funds, criminal charges may be filed.

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