Board of Education
Hagar Township S/D #6
Riverside School

Use of Credit Cards

The Board of Education recognizes the value of an efficient method of payment and record keeping for certain expenses.

The Board, therefore, authorizes the use of District Credit cards. The authorization, handling and use of credit cards are available to provide efficient means to purchase goods and services from vendors. Credit cards shall not be used in order to circumvent the general purchasing procedures established by State law and Board policy. The Board affirms that credit cards will only be used for Board-approved or school-related activities and that only those types of expenses shall be paid for by credit card. Under no circumstances shall credit cards be used for personal purchases or the purchase of alcoholic beverages regardless of whether the purchase of such beverages are made with a meal.

The Chief Financial Officer shall develop administrative guidelines that specify those authorized to use credit cards, the types of expenses which can be paid for by credit card and the proper uses/supervision of the credit card. Inappropriate or illegal use of the credit card and failure to strictly comply with the limitations and requirements stated in the administrative guidelines may result in a loss of credit card privileges, disciplinary action, up to and including termination, personal responsibility for any and all inappropriate charges, including finance charges and interest accrued in connection with the purchase, and/or referral to law enforcement authorities for prosecution.

The Chief Financial Officer, Principal shall be responsible for supervising and instructing employees about the use of the District credit card.

All approved cardholders must abide by purchasing card procedures and regulations set forth in the policy and the administrative guidelines.

6423 - USE OF CREDIT/DEBIT CARDS

The Board of Education recognizes the convenience and efficiency afforded by the use of District credit and/or debit cards. Such cards, however, shall not be used in order to circumvent the general purchasing procedures established by State law and Board policy. As such, employees are required to abide by the following guidelines when using a District credit/debit card.

A. All credit/debit cards issued to and in the name of the Berrien RESA shall be held by the employee and supervised by the Chief Financial Officer.

B. Board member(s) and administrative staff may use credit/debit cards only in connection with Board-approved or school-related activities and in accordance with established, pre-approved single purchase limits, monthly spending limits, funds availability, and the appropriation of a particular building or department budget, grant provision, or student activity purpose clause.

Board member and administrative staff limits will be established by the Chief Financial Officer. Spending limits may be increased or decreased as necessary.

C. Subject to the discretion of the Board and the approval of the Chief Financial Officer, credit/debit cards may be used for eligible goods and services including:

1. transportation reservations and expenses;

2. conference registrations;

3. hotel reservation guarantees and expenses;

4. reasonable meal expenses (both in-town and out-of-town), but excluding alcoholic beverages, and tips not to exceed 20%;

5. purchases from vendors who do not accept purchase orders or vouchers;

6. other purchases approved by the Chief Financial Officer on a case-by-case basis.

D. Credit/Debit cards shall not be used for personal purchases or expenditures not allowed under this guideline. In particular, credit/debit cards shall not be used for expenses that are not incurred in connection with Board-approved or school-related activities, are not for the benefit of

the District, and do not serve a valid and proper public purpose. Use of credit/debit cards in an unauthorized or illegal manner may result in revocation of credit/debit card privileges, disciplinary action and/or, where appropriate, may require the user to pay any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase.

E. Employees requiring the use of District credit/debit cards shall request (in writing) such cards from the Business Office.

F. The District is a nonprofit political subdivision of the State of Michigan. Tax exemption forms shall be utilized and are available at the Business Office.

G. When using a District credit/debit card, employees shall:

1. Inform merchant that the purchase is for "official School District business" and is not subject to State or local sales tax. However, if the merchant fails to waive the tax, the employee shall pay it. For large purchases where the merchant refuses to waive the tax, the employee shall present a tax exemption form.

2. Maintain credit/debit cards in a secure fashion and prevent unauthorized charges to the account.

3. Maintain sufficient documentation of all purchases, including, but not limited to, charge receipts, original cash register slip or other detailed receipt, and invoices.

4. Provide documentation of all purchases to the Business Office in a timely manner to ensure prompt payment.

5. Immediately notify his/her immediate supervisor and the Business Office if the card is lost or stolen.

6. Refrain from allowing anyone else to use the credit/debit card or account number without permission.

7. Refrain from splitting the costs of an invoice or purchase in order to circumvent the credit/debit card process and established, pre-approved single purchase limits, monthly spending limits, and/or funds availability.

8. When using the card for any purchase:

a. Identify the purchase needed and determine funds availability.

b. Determine if the purchase amount is within his/her pre-approved single purchase limit. If yes, proceed to the next step. If no, check with his/her supervisor for details on how to proceed.

c. Provide the merchant with the District card and inform the merchant that the purchase is for "official School District business" and is not, subject to State or local sales tax. If the merchant refuses to waive the sales tax, the employee shall pay it.

d. Retain receipts, including cash register receipt and credit/debit card charge slip.

e. Give receipt and supporting documentation to the Business Office.

H. Upon termination of employment, District credit/debit cards are to be returned to the Business Office.

I. The Business Office will keep a record/activity log of all credit/debit card uses and review and approve all purchases to verify that the expenses are incurred in connection with Board-approved or school related activities, are for the benefit of the District, and serve a valid and proper public purpose prior to disbursing public funds for payment of such expenses.

1. In addition to evidencing review and approval of the purchase, the Business Office should immediately send all questionable items to the employee purchasing the item for explanation. These explanations shall be approved by the employee's immediate supervisor and the Chief Financial Officer prior to the payment of such expenses. If an employee reimburses the District for a questionable purchase, it shall be documented in the monthly credit/debit card reconciliation.

2. Upon review and approval, all appropriate documentation shall be forwarded to the Business Office.

J. Upon receipt of the appropriate documentation, credit/debit card expenditures will be paid through the Business Office.

K. The Business Office will monitor the credit/debit card account(s) and reconcile all credit/debit card accounts on a monthly basis.

L. If the employee is terminated or resigns, then s/he must return the credit/debit card and remain responsible for any inappropriate use.

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