

Charge Cards

The District recognizes that the use of Charge Cards is a customary business practice that reduces payment-processing time, provides more purchasing flexibility and control to schools and departments, and reduces transaction handling costs. Purchase Orders are still the preferred method of payment.

CHARGE CARDS

Charge cards will be issued only to the administrator who has budget authority for a school, a department, or a program. The cards will be issued in the name of the Burlington-Edison School District, with the name of the school or department administrator also embossed on the card.

Roles and Responsibilities

Cardholder

Each card will have a cardholder who is the administrator with budget authority for the card. The cardholder is responsible for approving all card purchases and for authorizing payment of monthly charges.

Card Custodian

Each card will have a card custodian who will be responsible for the day-today control of the card. The card custodian is responsible for maintaining and preparing the proper documentation for the reconciliation of monthly statements by the cardholder

Card User

The card user is the individual that uses the card. In some rare occasions, one individual could be the cardholder, card custodian, and card user.

Purchasing Limits

Spending limits for each card are established by the Superintendent or his/her designee and are based on amounts recommended by administrators and managers responsible for school and department budgets. Each card will have a maximum per transaction limit and a maximum per card per month limit. The Fiscal Office may assign a different limit if it is in the best interest of the district. Do not attempt to circumvent these limits by asking the vendor to split the order.

Lost or Stolen Cards

If a card is lost or stolen, promptly notify the bank and Fiscal Office.

The card will be cancelled and a new card will be issued. If the old card is later returned, send it directly to the Fiscal Office where the card will be destroyed. DO NOT attempt to use the old card after it has been cancelled.

Purchasing Guidelines

The card may be used only for purchases that are allowable under the purchase order, imprest account, or expense reimbursement processes. **Purchases are for District use only.** The individual who is using the card is responsible for reviewing the vendor's return & shipping policies and acceptability as a District vendor prior to making a purchase. If in doubt to a merchant's suitability, please contact the fiscal department prior to making the purchase. Food purchases must be made in accordance with District policy.

Card users must have prior administrative approval for the purchase as per District policy. Any questions as to the appropriateness of a purchase should be directed to the Fiscal Office.

Generally, the card will be accepted wherever credit cards are accepted. However, the district has the ability to limit the use of the card by vendor category. If for any reason a vendor refuses to accept the district's card, please contact the Fiscal department. We will determine the reason for the refusal and attempt to resolve the issue with the vendor.

Using a Charge Card

- 1.) Submit authorization form to Administrator for prior approval.
- 2.) A purchase is made following cardholder approval. When an employee other than the cardholder or card custodian wishes to use the card, they must fill out a Credit Card Transaction and Check Out form.
- 3.) Necessary documentation for each transaction must include:
 - a. Order confirmation,
 - b. Original itemized receipt, and
 - c. Packing slips or other proof of delivery (if available).These documents will be attached to your prior authorization form and reconciliation that is sent to the Fiscal Office monthly.

Receipts / Paid invoices should include the following information:

- 1.) Vendor identification (merchant name);
- 2.) Date the purchase was made;
- 3.) Description, quantity and unit cost for each item purchased;
- 4.) Total cost of order (IMPORTANT: was tax charged?); and
- 5.) Card name or last four digits of the card number.

Charge slips that do not identify the items purchased are not acceptable documentation. If an un-itemized charge slip is the only available purchase record, the user must sign an Affidavit of Lost or Non-Itemized Receipt form to certify that costs are true expenses of the District.

Lack of Receipt

In the event a receipt is lost or not originally obtained from the merchant, contact the merchant to obtain a copy of the receipt. If they are not able to replicate the receipt, complete an Affidavit of Lost or Non-Itemized Receipt form and attach it to the Transaction Detail Report for Reconciliation.

Allowable Purchases

District Funds should be only used to further the educational or business purpose of the District. The following purchases are allowable when consistent with other district policies. Purchases using federal or other grant funds may be more restrictive. Check with the grant program manager before making any purchase.

- Supplies, materials or services for educational or business purposes.
 - Please review Policy 6220 and procedure 6220P.
- Food subject to Child Nutrition Policy and Procedure 6700 and 6700P.
- Food subject to Staff Food Policy and Procedure 6240 and 6240P.

Non-Allowable Charges

The following purchases are NOT allowable. Listed items are examples and not inclusive of all potential purchases.

- Gift Cards
- Flowers as gifts
- Alcohol
- Food that is not for a meeting
- Cash advances
- Donations
- Salaries and Wages
- Items for personal use or non-district purposes

- Fuel for personal vehicle
- Technology items such as computers/tablets/cell phones/software
 - The Fiscal Office may evaluate the use of purchasing technology equipment and capitalized equipment if it is determined to be in the best interest of the district.
- Contracted services agreements

Disputing Transaction

Disputed items/charges may result from a failure to receive goods, misuse, defective merchandise, incorrect amounts being charged, duplicate charges, credits not yet received, or fraudulent charges. It is the cardholder's responsibility to resolve disputes, which should be handled as follows.

- Contact the vendor to resolve any differences or problems.
- Document vendor contacts (name of customer service rep, phone numbers, dates, action to be taken, resolution deadline, return authorization numbers/confirmation).
- Federal law provides a 60 day window through which formal disputes must be reported to the bank to preserve our dispute rights. We need to address the issue within the first 30 days.

Fraud Control

Account security is a major concern for the District. Our risk factor has increased due to phishing emails, false internet websites and increasing identity thefts.

- **If you identify fraudulent charges on your card**
 1. Contact the merchant to gather information about the charge, dates, contact info, shipping info, etc. and try to get the charge removed.
 2. Contact Fiscal immediately to have them cancel the card and request a new issued card.

Weekly Processes:

Schools and departments must review purchases weekly.

This process should include:

- Review each transaction for validity and accuracy. Fraudulent transactions should be handled per the "Fraud Control" section above.
- Assign a proper account code to the transaction.
- Verify that sales tax was charged (if applicable). If sales tax was not charged, but should have been then please mark the approval form.
 - Contact the Fiscal Office if there are questions regarding the taxability of transactions.

Monthly Processes:

Schools and departments must reconcile purchasing card charges monthly. Each month:

- The card custodian must reconcile the credit card statement and assign account codes to each transaction.
- All original receipts should be attached to the credit card request form.
- The reconciliation should be reviewed, signed, and dated by the card custodian.
- The reconciliation should be reviewed, signed, and dated by the card custodian's supervisor.
- The signed report and all supporting documentation must be submitted to the Fiscal Office by the 20th of each month.