

CREDIT CARDS

In accordance 44-08-05.1, the Board authorizes the Business Manager and Superintendent to institute a credit card system. The Business Manager and/or Superintendent shall establish rules governing the use of credit cards to protect district funds and other assets. These rules shall be placed in administrative regulations; shall identify categories of employees authorized to use credit cards; shall establish limits on use, which, at a minimum, comply with prohibitions on fraudulent purchases contained in 44-08-05.1, prohibit other forms of personal purchases, and prohibit purchases that exceed the bidding thresholds under law; shall contain rules related to card security; shall contain disciplinary consequences for misuse; and shall require that employees agree to credit card regulations as a condition of card issuance and use.

Use of credit cards are a privilege, not a right. The Superintendent is authorized to revoke any employee’s purchasing card privileges with or without cause.

Complementing NDSBA Templates (may contain items not adopted by the Board)

- HCAG-AR, Cardholder Manual
- HCAG-E1, Cardholder Employee Agreement

End of Manvel School District 125 Policy HCAG.....Adopted:[6/13/22]

MANVEL SCHOOL DISTRICT CARDHOLDER MANUAL

Authorized cardholders of the **MANVEL SCHOOL DISTRICT** may use credit cards to acquire goods and services from suppliers. Cardholders are identified by the Superintendent, must complete training, and sign a cardholder agreement as a condition of card issuance and use.

What is a Credit Card?

The credit card is a method of payment for school employees to make purchases for official school business, and the administration encourages the use of the credit card.

The credit card payment system is an individual bill/central payment system. The cardholder may receive a monthly account statement for information and reconciliation purposes only. The Business Manager obtains a consolidated electronic billing file and makes payment to Visa on behalf of all cardholders. Expenditure transactions are processed through our business software and posted to the appropriate school accounting records.

A credit card IS

1. Authority delegated by the Superintendent to individual school employees.
2. For official **Manvel** Public School use only.
3. Authorized for use with only certain categories of merchants.
4. Authorized for purchase of goods and services for **Manvel** Public School.

A credit card IS NOT

1. A means to avoid appropriate payment procedures.
2. A means to access cash or credit.
3. A right of employment.
4. For personal use.

What are the Benefits of a Credit Card?

The credit card enables personnel to perform more effectively and focus on the value-added aspects of their jobs by:

1. Reducing administrative costs for the school district.
2. Eliminating purchasing delays.
3. Reducing the amount of paperwork.
4. Improving supplier relations.
5. Receiving increased information about purchasing transactions.
6. Reducing the number of checks issued.
7. Revenue cost sharing.

Who are Likely Cardholders?

Cardholders are identified by the Superintendent, must complete training, and sign a cardholder agreement as a condition of card issuance and use.

1. Administrators
2. Directors: Child Nutrition, Transportation, Activities, Maintenance
3. Departments/Programs: Before and After School, Athletic Departments, Library, etc.

Travel Requests

Travel requests are to be reviewed and approved by your building administrator in accordance with applicable policy prior to making travel arrangements. After the approved travel, you may email a balance sheet to the business office or hand-deliver it. On the balance sheet, list your expense items by category: fees, travel, lodging, event tickets, student per diem and miscellaneous expenses. Once approved, the credit card administrator will load your credit card and indicate the reason for the amount in the account memo section. credit cards are web based.

Local Purchasing and Purchases Not Authorized on Credit Cards

The traditional purchase order process is followed for those purchases not included or not authorized in the purchasing card process. Cardholders will be required to follow board policy on local purchasing to acquire goods and services from local suppliers.

Cardholder Credit Rating

When use of the credit card result in a liability to **Manvel** Public School; it is not a personal liability for the cardholder. The cardholder's credit rating will not be affected. However, it is important to remember that the cardholder agrees to the terms and conditions of using a purchasing card and is personally liable for any misuse of the purchasing card as outlined in NDCC 44-08-05.1.

The Visa Credit Card Program provides liability protection to the school district once notification of any loss, theft, or fraudulent use is made. However, the same level of liability protection does not apply to cards that are made available to multiple users. **If multiple users are allowed to use a card, for example a card assigned to a summer school program, the person who signed the cardholder agreement is held responsible for charges made on that account.**

Guidelines for Credit Card Use

The Superintendent may place credit card limits on individual card holders on a case-by-case basis. Unauthorized and personal purchases shall become the responsibility of the card holder.

General Instructions for Card Use

Cardholders should give vendors their credit card number and expiration date, or present the card at the point of sale and tell the vendor that the school district is exempt from sales tax.

1. **Manvel's** policies, rules, and guidelines must be followed.
2. All large purchases must be competitively bid according to NDCC 15.1-09-34 or Ch. 48.01.2.
3. If the material is to be shipped or delivered, tell the vendor to enclose or mail a copy of the receipt/invoice with each shipment. Have the vendor mark it "Credit Card Order–Paid" to avoid duplicate payments. If the material is to be picked up, obtain the itemized receipt indicating the purchase price.
4. Retain a copy of the original receipts/invoices for reconciliation of the monthly statement purposes and forward the original receipts/invoices to the Business Manager.

Vendor Does Not Accept Credit Cards

Not all vendors accept credit cards. If this happens:

1. Complete the transaction using traditional purchasing procedures. (PO's with approval)
2. Choose another vendor who accepts the P-card.

Returns, Credits and Disputed Items

Individual cardholders are responsible for notifying the Business Manager on any erroneous charges, disputed items, or returns as soon as possible. Disputed billings can result from failure to receive the goods charged, defective merchandise, incorrect dollar amounts, duplicate charges, credits not processed, as well as fraud and misuse.

Returns: A credit should be issued for any item that the vendor has approved for return. The credit will appear on a subsequent cardholder statement. Any returned item purchased with the purchasing card must be returned for credit. **Do not accept a refund in cash or check.**

Maintain documentation of all credits, returns, and exchanges. This is to be attached to the monthly account statement that reflects the transaction.

Disputed Items: If the cardholder has a disputed charge and the business Manager cannot reach resolution with the vendor, the **Manvel School** Business Manager will complete a dispute form within 60 days of the post date. If 60 days have passed, the Business Manager should still complete the form. It will be honored at Visa's discretion.

Declines at the Point of Sale

If a cardholder's card is declined at the point of sale, the cardholder should contact the Business Manager, who can determine why it is being declined and will be able to make account adjustments as needed. Some reasons for a decline include:

1. The cardholder has failed to activate the card by calling the toll free number listed on the sticker placed on the front of the card.
2. The cardholder has exceeded the designated single or monthly transaction limit.
3. The cardholder attempts to use the card for a blocked supplier category.

Credit Card Security

The credit card is to be treated with the same level of care that is afforded personal credit cards.

1. Do not lend the purchasing card to anyone. The only person authorized to use the card is the person whose name appears on the front of the card.
2. Do not post or write the purchasing card account number in any location that is accessible to others.
3. Use only secure websites when sending the purchasing card account number over the Internet.

Reporting Lost or Stolen Cards

The cardholder must notify the Business Manager immediately when a card is discovered lost or stolen.

Random Audits

Manvel Public School Superintendent, the Business Manager, and the State Auditor's Office, may conduct random audits of purchasing card use. The primary purpose of the audit is to ensure that purchasing card program procedures are being followed and that:

1. **Manvel** Public School procedures are being followed.
2. The purchasing card is being used for appropriate transactions.
3. Supporting documentation is complete.

Failure to Comply with Program Guidelines

Any misuse of the purchasing card or failure to comply with the applicable policies and procedures may result in the following:

1. Revocation of the purchasing card.
2. Appropriate disciplinary actions, which may include a recommendation for termination, which shall be handled in accordance with applicable policy and law.
3. Repayment of transactions resulting from personal use of the purchasing card. Repayment will include any applicable taxes.

Termination of Employment with the School District

If the cardholder's employment is terminated with the school district, the cardholder must return the credit card to the Business Manager, who will cancel and destroy the card.

Manvel Public School credit card Resources

For assistance with the following, please contact the Business Manager.

1. For questions concerning policies and procedures.
2. To replace damaged cards.
3. For assistance with suppliers.
4. For account inquiries.
5. For billing information.
6. To report a lost or stolen card.

End of Manvel School District 125 Administrative Regulation.....HCAG-AR [06/13/22]

MANVEL PUBLIC SCHOOL CARDHOLDER EMPLOYEE AGREEMENT

Your signature below is verification that you have received the Visa Credit Card and agree to comply with the following requirements:

1. I understand the card is for District/School use only, and I agree not to use the card for personal business.
2. Improper use of this card can be considered misappropriation of district funds. This may result in cancellation of Credit Card privileges, reimbursement to the District for improper use, disciplinary action up to and including termination in accordance with applicable policy and law and possible criminal charges.
3. If the card is lost or stolen, I will immediately notify the Business Manager.
4. I agree to surrender the card immediately upon termination of employment.
5. The card is issued in my name. I am responsible for all charges against the card.
6. As the card is district property, I understand that I may periodically be required to comply with internal control procedures designed to protect district assets. This may include being asked to produce the card to validate its existence and account number.
7. I am responsible for submitting a purchase order, when able, prior to the purchase and obtaining a receipt for all transactions. Receipts must be turned in to the business office.
8. The District will receive a Monthly Statement, which will report all activity during the period. If a discrepancy is found, since I am responsible for all charges (but not for payment) on the card, I will resolve any discrepancies by either contacting the vendor or the business manager who will contact the card company.

I understand that the **Manvel School District** does not authorize, permit or otherwise consent for me to obtain cash advances or to be issued checks from any Cardholder Account issued under this Purchasing Card Agreement. Further, I understand that in the event of an erroneous charge, return or other adjustment to the account, I must not accept cash as a refund; only a credit to the card account is acceptable.

Cardholder Signature _____ Date _____

Cardholder Printed Name _____

HPS Card Administrator Signature _____ Date _____

End of Manvel School District 125.....Exhibit HCAG-E [6/13/2022]