

Adopted: 10-15-07

Lakeview School District Policy 717

Revised: _____

717 CREDIT CARD USAGE AND ELECTRONIC FUNDS TRANSFER

I. PURPOSE

The purpose of this policy is to control the use of credit cards and to ensure the proper usage of credit cards and electronic funds transfers.

II. GENERAL STATEMENT OF POLICY

It is the policy of the school district to ensure that the usage of credit cards and electronic funds transfer are made in accordance with current industry standards and follow recommendations of the district's auditors and the Office of the State Auditor.

III. DEFINITIONS

A. Electronic Funds Transfer

"Electronic funds transfer" means any transfer of funds that is initiated by electronically.

IV. CREDIT CARD USE

- A. Purchases made on a district credit card must be consistent with state law and the Office of the State Auditor.
- B. The school board shall authorize the superintendent to annually identify the employees and officers who are authorized to make purchases on behalf of the district.
- C. Credit card charges shall be limited to \$2,500.00 per transaction. Any employee who desires to use a credit card to make a purchase greater than this amount must seek prior approval from the superintendent or the superintendent's designee.
- D. The authority to use credit cards does not authorize the creation of a new form of debt for the district. Credit cards are to be considered another form of authorized payment. Credit card charges shall be paid off on a monthly basis.
- E. Purchases shall be limited to small purchases that are incurred in the regular course of business and for business travel expenses incurred by authorized credit card users.
- F. All receipts and other supporting documents must be turned in to the district's

business office in a timely manner for review, authorization, and documentation.

- G. The purchase of personal items is prohibited.
- H. The purchase of alcoholic beverages and tobacco is prohibited.

V. ELECTRONIC FUNDS TRANSFER

- A. The school board shall authorize the superintendent to annually delegate authority to make electronic funds transfers.
- B. The school board shall approve the opening and closing of accounts.
- C. The school board shall annually authorize the superintendent and/or business manager to invest in passbook savings, money-market savings, certificates of deposit, Minnesota School District Liquid Asset Fund, and other recommended legal investments as needed for the operation of school district business.
- D. The district shall require any disbursing bank to keep a certified copy of the delegation of authority.
- E. The disbursing bank and the school district must identify the initiator of each electronic transfer.
- F. Prior to any electronic funds transfer, the initiator shall document the request and obtain approval for each transaction from the superintendent or business manager.
- G. Written confirmation of each electronic funds transfer shall be available within one business day of each transaction.
- H. A list of all electronic funds transfers shall be submitted to the school board at the next regular board meeting following the transfer.

Legal References: Minn. Office of the State Auditor Statement of Position on Credit Card Use and Policies, March 2007

Adopted: October 15, 2007