



CAL-CARD (CREDIT CARD)

CARDHOLDER MANUAL

OF

POLICIES AND PROCEDURES

TABLE OF CONTENTS

1. General Overview.....	3
2. Cardholder Responsibilities	3
3. Approving Manager’s Responsibilities	3
4. Receiving the CAL – Card	3
5. Limits and Changes.....	4
6. Authorized Card Uses	4
7. Consequences for Misuses of the Card	4
8. How the Card Works	5
9. Ordering.....	5
10. Monthly Transaction Log Reconciliation	5
11. Budget.....	6
12. Card Security	6
a) Reporting a Lost or Stolen Card	6
b) Replacement Card	6
13. Card Disputes	6
14. Returns, Exchanges and Credits.....	7
15. Sales Tax.....	7
16. Frequently Asked Questions (FAQ’s).....	7
17. Appendix	8

1. GENERAL OVERVIEW

Welcome to U.S. Bank and CAL-Card, the State of California's Credit card program. This manual has been developed to provide Visalia Unified School District Cardholders with information regarding the benefits, responsibilities, and rules that must be followed once issued a District CAL-Card (credit card). District issued credit cards are intended to complement existing purchasing processes. It is **not** intended to bypass appropriate purchasing procedures or business practices. **For equipment purchases over \$500, please use the Purchase Order (PO) process in order for the Purchasing Department to track the capital assets on the ERP (Tyler Munis) Financial System.**

A statement for your account is generated on your closing date. The District's closing date is the 22nd day of every month. If the 22nd day falls on a weekend or holiday, the cycle will end on the next business day. Charges posted to the account for billing from the 23rd day of the previous month to the 22nd day of the current month will be reflected on the Cardholder statement.

2. CARDHOLDER RESPONSIBILITIES

Cardholders are responsible for using the credit card in accordance with Visalia Unified School District policies and procedures and any applicable procurement regulations. Responsibilities include the following:

- Sign the card in the signature panel.
- Maintain card security to prevent unauthorized charges to the account.
- Obtain a receipt at the point of purchase and verify it for accuracy.
- Reconcile receipts and other purchase documentation to the Cardholder statement.
- Sole use of the card.
- Compliance with procurement procedures for purchase of items.
- Validation of available unencumbered budget for all account lines to be utilized.
- Preparation of the monthly statement reconciliation. (Failure to submit reconciliation by the 10th of the month deadline will result in the credit card being suspended)
- Inform the Administrative Services Department of account changes.

3. APPROVING MANAGER'S RESPONSIBILITIES

- Reviewing all charges to ensure they are appropriate use of funds.
- Ensuring compliance with procurement procedures for purchase of items.
- Ensure the credit card was not utilized to make personal purchases.
- Contact the Cardholder to address and correct any questionable purchases/procedures.
- Ensuring all proper documentation is attached in ERP system.
- Reviewing the statement for valid and accurate information.
- Contact the Purchasing Department immediately if a noted violation requires revocation of the card.
- Signing the cardholder's statement as the approver and return documentation to the Cardholder.

4. RECEIVING THE CAL – CARD

Issuance of a credit card is a privilege and a responsibility that is not to be abused. Please make sure to read this document in its entirety as it contains updated information. A complete Credit Card Application (Appendix – A) must be submitted for each prospective Cardholder. All potential Cardholders must read and understand the Cardholder Policies and Procedures and sign the Agreement to Accept a Credit Card form (Appendix B) prior to receiving a credit card. Once reviewed and completed, return the signed agreement to the Administrative Services Department and keep the Manual for future reference.

5. LIMITS AND CHANGES

Credit Limits: The credit card has a one-time and monthly credit limit established by the Purchasing Director. If this limit is reached, transactions may be rejected by merchants. To change a credit limit, complete a Credit Card Change/Cancellation Form. The Purchasing Director will review and either approve or deny the credit limit increase. Credit limits are reset every month.

Changes: In order to cancel or make changes to the name, department, address, and credit limit a Credit Card Change/Cancellation Form must be completed and signed by the Purchasing Director. Completed forms should be submitted to the Purchasing Department. Proper notification will be provided when changes are completed.

6. AUTHORIZED CARD USES

Cardholders are authorized to use the District issued credit card to purchase merchandise that is required as a function of their duties at the Visalia Unified School District. Only the Cardholder whose name is embossed on the Credit card is authorized to use the card. The Cardholder is solely responsible for ensuring that all charges made with the card are in compliance with these policies and procedures as well as all Visalia Unified School District Policies and Procedures.

Several items or services are considered unauthorized purchases under the program policy. **Unauthorized** purchases using the District credit card include the following:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Alcohol | <input checked="" type="checkbox"/> Building(s)/land rental/lease |
| <input checked="" type="checkbox"/> Department meetings at restaurants | <input checked="" type="checkbox"/> Meal charges in excess of \$69 per day (including tip) |
| <input checked="" type="checkbox"/> Gift cards – Gift certificates | <input checked="" type="checkbox"/> Tips exceeding 20% of the meal cost (included in the \$69 max) |
| <input checked="" type="checkbox"/> Personal purchases | <input checked="" type="checkbox"/> Meal costs other than your own (other employees) |
| <input checked="" type="checkbox"/> Equipment exceeding \$500 in value | <input checked="" type="checkbox"/> Office Depot |
| <input checked="" type="checkbox"/> Cash advance | <input checked="" type="checkbox"/> Flower |
| <input checked="" type="checkbox"/> Consultant/professional services | |
| <input checked="" type="checkbox"/> Telephone services | |
| <input checked="" type="checkbox"/> Medications | |

In addition, the following are unauthorized:

- ☒ Items prohibited by law or District Policy
- ☒ Non-Visalia Unified School District Purposes
- ☒ Purchases utilizing **manager code 435** (Unless first authorized in writing by the Director of State and Federal Projects or his/her designee. See Appendix E for the location and example of the Categorical Funds Credit Card Use Approval Form that is to be utilized for authorization.)

The CAL-Card program prohibits the purchase of certain items. These include:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Financial institution/manual/auto cash | <input checked="" type="checkbox"/> Fines |
| <input checked="" type="checkbox"/> Financial institution merchandise | <input checked="" type="checkbox"/> Bail and bond payments |
| <input checked="" type="checkbox"/> Non-financial institution/Foreign | <input checked="" type="checkbox"/> Wire transfer – money order |
| Currency/Money Order/Travelers Checks | <input checked="" type="checkbox"/> Dating and escort services |
| <input checked="" type="checkbox"/> Security brokers and dealers | <input checked="" type="checkbox"/> Massage parlors |
| <input checked="" type="checkbox"/> Timeshares | <input checked="" type="checkbox"/> Betting/track/casino/lotto |

7. CONSEQUENCES FOR MISUSES OF THE CARD

Failure to comply with the requirements of this manual and Visalia Unified School District policies and procedures may result in immediate revocation of credit card privileges, disciplinary measures including termination and legal action, and being held personally responsible. This includes, but is not limited to, any of the following:

- Loaning the card to another employee or person.

- Using the card for personal use.
- Allowing purchases to be signed for by anyone other than the cardholder.
- Failure to submit receipts for charges.
- Submitting the monthly statement to the Finance Department after the 10th day of the following month.
- Failure to attach receipts that match the item descriptions or dollar amounts listed on the monthly statement of account.

Cardholders will be personally responsible for the reimbursement of any cost, not properly authorized as noted in this document, to the Visalia Unified School District.

8. HOW THE CARD WORKS

When a purchase authorization is requested by the supplier at the point-of-sale, the credit card is validated against pre-set limits established by the District. All transactions are approved or denied based on the following card authorization criteria:

- Proper name-to-person using the card
- Spending limit per purchasing period (daily/monthly)
- Card Expiration Date
- Billing zip code (93277)
- Three (3) digit security code located on the back of the card

9. ORDERING

District issued credit cards can be utilized with Visa card merchants. Please contact the Purchasing Department to ensure all efforts have been exhausted prior to ordering items via credit card. The Cardholder can purchase goods via phone, internet, fax, or in person.

The Cardholder must request the merchant to provide an itemize receipt or invoice. An itemized receipt or invoice consists of the following information:

- | | |
|--|---|
| ◇ Vendors name & address | ◇ Extended price per item |
| ◇ Date of purchase | ◇ Amount of sales tax (if applicable) |
| ◇ A detailed description of each item | ◇ Shipping/Handling charges (if applicable) |
| ◇ Quantity | ◇ Grand total of the transaction(s) |
| ◇ Price per item | |

Make sure the “original receipt” submitted with the MTL contains the information referenced above. Please note hotels and internet vendors often give customers confirming information slips, but these are **NOT** considered acceptable receipts for attaching to the MTL.

It is the Cardholder’s responsibility to inspect the shipment. In case of returns, the Cardholder must coordinate directly with the supplier. All packing slips must be retained for proper documentation.

10. MONTHLY TRANSACTION LOG RECONCILIATION

Cardholders will receive a copy of their monthly bank statement (Appendix – D), usually within the last week of each month. The Cardholder is responsible for reconciling in Tyler Munis P-Card States. All documents must be submitted by the 10th of the following month.

MONDATORY: To reconcile your P-Card statement, please follow the P-Card Statement Processing document for Tyler Munis.

- ✓ Submit all paperwork no later than the 10th of the following month to the Finance Department.

Please note – “tangible” items require that we pay sales tax so if it’s not on the invoice, it will be charged when posted to your budget.

Receipts are mandatory. If the receipt is lost, first contact the vendor for a copy. If unable to obtain a receipt an affidavit (Appendix E) of lost receipt may be submitted as a last resort. An itemized meal receipt must include an explanation of who, what, when, where, and why. For meetings or conferences an agenda must accompany the receipt. Cardholders who utilize a district credit card for travel expenses cannot claim per diem reimbursement.

11. BUDGET

Credit card expenditures are not necessarily allocated in the budget. It is the Cardholders responsibility to verify that credit card expenditures are within budget limitations. Expenditures are not itemized when viewing expenditure details within the budget. To view itemized transactions Cardholders should refer back to the Tyler Munis and bank statement.

12. CARD SECURITY

The authorized Cardholders name appears on the face of the card. The card should be stored in a secure location. The Cardholder is personally responsible for its use and accessibility. **Do NOT** lend District issued credit cards to others for use. If an employee is going to be absent for an extended length of time, the program manager may request that a new card be issued to a different employee for the duration. It takes approximately ten (10) working days to issue a new card, please plan accordingly.

a) REPORTING A LOST OR STOLEN CARD

- The Cardholder:
 - must immediately contact the bank;
 - is liable for all unauthorized uses until the bank is notified;
 - and must contact his/her District Program Manager immediately following the first two actions listed above.
- The Purchasing Department will contact the bank to obtain a replacement card

b) REPLACEMENT CARD

There may be instances when it becomes necessary to replace a card or obtain additional cards. A memorandum must be submitted to the Purchasing Department, along with the old card if it is worn or defective.

Do NOT fold, spindle or mutilate the old card.

The Purchasing Department will notify the Cardholder when the replacement card is available. New cards must be picked up by the Cardholder in the Purchasing Department.

13. CARD DISPUTES

The Cardholder should first contact the supplier regarding any disputes. Most issues can be resolved at this level. When the vendor corrects the problem, it should be reflected on your next bank statement. Make sure to note disputes on the statement where charge occurred. If you cannot reach an agreement with the supplier, the next step is to contact the Purchasing Department with all the information regarding the dispute. They will contact the Cal-Card for assistance in resolving the dispute.

IMPORTANT: Failure to take immediate and appropriate action could result in the loss OR cancellation of the credit card. Cardholders should follow up on all disputed charges in a timely manner to avoid any interruptions.

14. RETURNS, EXCHANGES AND CREDITS

The Cardholder is responsible for contacting the merchant when merchandise purchased with a District credit card is not acceptable (incorrect, damages, defective, etc.) and arranging a return, exchange, or credit.

Returns:

If for any reason, an item needs to be returned the Cardholder should request a “Return Goods Authorization Number” from the supplier. Enter that number as documentation for the transaction in case further follow-up is required. Cardholders should also determine if the supplier will pick up the item, issue a “Call Tag” or if they require the buyer (or Cardholder) to return it to the supplier.

Exchanges:

If merchandise is to be exchanged, the Cardholder is responsible for returning the merchandise to the merchant and obtaining a replacement as soon as possible. Documentation showing the proper resolution of the exchange is to be retained with the supporting documentation for that purchase.

Credits:

If merchandise is returned for credit, the Cardholder is responsible for obtaining a credit receipt from the merchant and retaining that receipt with the supporting documentation for that purchase. This credit will appear on a subsequent statement. ***Receiving cash, checks, or gift cards to resolve a credit is prohibited!***

15. SALES TAX

The Visalia Unified School District is NOT exempt from paying California Sales Tax, therefore, as orders are placed with a supplier or merchant, the Cardholder should emphasize the purchase **MUST** include sales tax. It is the Cardholder’s responsibility to make sure it is included on every transaction. If not included, the amount of sales tax will still be applied to the corresponding budget line used for the transaction.

16. FREQUENTLY ASKED QUESTIONS (FAQ’S)

Q) What if the Cardholder leaves?

A) *When a Cardholder leaves or transfers, the card should be immediately canceled by calling the Purchasing Department.*

Q) What if the supplier does not accept the card?

A) *There could be several reasons why a vendor does not accept the Card. To inquire why transactions may have been declined, contact the Purchasing Department. They may have knowledge of why a card might not have been accepted or will work with the Account Management team to solve the problem.*

Q) How can control limits be changed?

A) *A Credit Card Change/Cancellation form (Appendix C) must be completed indicating the changes desired and submitted to the Purchasing Department for processing.*

Q) Is personal use of the credit card allowable?

A) *No. Use of the credit card for personal purchases is strictly prohibited. If the credit card is inadvertently used for a personal purchase, call the Purchasing Department immediately.*

Q) Can the card be shared?

A) *No. Use by anyone other than the Cardholder whose name is embossed on the card is strictly prohibited.*

Q) Does receiving a District issued credit card require a personal credit check?

A) *No, U.S. Bank does not conduct a credit check on your personal credit history before issuing you a credit card.*

Q) Why is my card being declined?

A) *A decline may occur when a transaction exceeds the account's single purchase limit or goes over the total monthly spending limit. A transaction decline may also occur due to the following:*

- a. The credit card account has not been activated.*
- b. An incorrect account expiration or CVV2 value is presented to the merchant on an Internet, telephone, or mail order transaction.*
- c. An incomplete or incorrect mailing address is given for an Internet, telephone, or mail order transaction.*
- d. Attempting to make a purchase at an unauthorized type of merchant.*

Contact the Purchasing Department should any issues arise.

17. APPENDIX

Appendix – A: Credit Card Application

Appendix – B: Agreement to Accept a Credit Card

Appendix – C: Credit Card Change/Cancellation

Appendix – D: Sample Cardholder Statement of Account

Appendix – E: Sample Affidavit of Lost Receipt



CREDIT CARD APPLICATION

Credit Card applicants need to acquire authorization from their Supervisor to apply for the Cal-Card.

APPLICANT INFORMATION: (Please print clearly)

Applicant's Name: _____

Applicant's Title: _____

District Site Name: _____

Work Phone: _____ Cell Phone: _____

E-Mail: _____

Applicant Signature

Date

Print Name

Manager Approval Signature

Date

Print Name

District Approval Signature

Date

Print Name

Acknowledgement

By signing this form, the above named person acknowledges they are responsible for the security of the card and for the appropriate use of this card for departmental/official purchases only. No personal purchases are allowed. Furthermore, they understand the Visalia Unified School District policies and procedures. The cardholder understands this card is valid only while employed in this department; upon termination of employment or transfer to another department/agency the cardholder must relinquish this card to the assigned CAL-Card Program Administrator for their agency.

(Digital signatures will not be accepted, must be a wet signature)

APPENDIX – A



AGREEMENT TO ACCEPT A CREDIT CARD

Visalia Unified School District is presenting to you this CAL-Card (Credit Card). It represents the District's trust in you and your empowerment, as a responsible employee, to safeguard and protect our assets and the taxpayer's money.

I _____, hereby acknowledge receipt of a
Visalia Unified School District credit card, number_____.

As a Cardholder, I agree to comply with the terms and conditions of this Agreement and the applicable provisions of the Cardholder Manual of Policies and Procedures provided, and as such the manual may subsequently be revised. I acknowledge receipt of the manual and confirm that I have read and understood its terms and conditions. I understand Visalia Unified School District is liable to the Bank for all charges made by me.

As the holder of this credit card, I agree to accept responsibility for the protection and proper use of this card as outlined in this Agreement and the manual. I understand that Visalia Unified School District will audit the use of this credit card and I cannot use the card for unlawful or personal use.

I further understand that improper use of this card may result in disciplinary action, up to and including termination of employment. I agree to allow the Visalia Unified School District to collect any amounts owed by me even if in am no longer employed by the Visalia Unified School District. If Visalia Unified School District initiates legal proceedings to recover amounts owed by me under this Agreement, I understand I will be held personally responsible to pay all legal fees incurred by the Visalia Unified School District in such proceedings.

CARDHOLDER:

Signature: _____ Date: _____

Name (Print): _____

Title: _____

Site/Department: _____

PROGRAM ADMINISTRATOR:

Signature: _____ Date: _____

Name (Print): _____

Title: _____

(Digital signatures will not be accepted, must be a wet signature)



Credit Card Change/Cancellation

Cardholder's Name: _____ Date: _____

Department: _____ Last 4 Digits of Card Number: _____

Card to be: Changed ☐ Canceled ☐ Reason: _____

NAME CHANGE

New Name: _____

SITE/DEPARTMENT CHANGE

New Site/Department _____ New Budget String _____

CARD CONTROLS

Credit Limits: Increase ☐ Decrease ☐

Reason (Be Specific):

New Credit Limit: \$ _____

Temporary ☐ Permanent ☐

If temporary, indicate date original defaults should resume: _____

Cardholder Signature _____

Date _____

Approve ☐ Denie ☐

For Official Use

Approving Official _____

Date _____

(Digital signatures will not be accepted, must be a wet signature)

Sample Cardholder Statement of Account



U.S. BANCORP SERVICE
CENTER
P.O. BOX 6343
Fargo, ND 58125-6343

ABC ORGANIZATION

MEMO STATEMENT

ACCOUNT NUMBER 4246-0000-0000-0000

STATEMENT DATE 01-31-07

TOTAL ACTIVITY \$758.85

AMOUNT DUE \$0.00

DO NOT REMIT

A



TOM SMITH
ABC ORGANIZATION
450 LAKE ST
144099
LOS ANGELES CA 00000-0000

4246000000000000 000000000

B

MESSAGES:

NEW ACCOUNT ACTIVITY						
C POST DATE	D TRAN DATE	E TRANSACTION DESCRIPTION	F REFERENCE NUMBER	G MCC	H AMOUNT	
11-19	15-15	JOE'S KEY & LOCK LLC 415-000-0000 MN PUR ID: 32671 TAX: 2.98	24492796146118000100027	7399	243.08	
12-02	12-01	CFIRST *LAUNDRY SVCS 978-000-0000 IA PUR ID: LOC3800INV177646 TAX: 0.00	24692166152000130168329	5969	54.66	
12-02	12-01	CFIRST *LAUNDRY SVCS 978-000-0000 IA PUR ID: LOC3800INV177647 TAX: 0.00	24692166152000130168337	5969	64.19	
12-02	12-01	CFIRST *LAUNDRY SVCS 978-000-0000 IA PUR ID: LOC3800INV177648 TAX: 0.00	24692166152000130168345	5969	55.88	
12-02	12-01	CFIRST *LAUNDRY SVCS 978-000-0000 IA PUR ID: LOC3800INV177649 TAX: 0.00	24692166152000130168352	5969	29.40	
12-07	12-05	ABC REGRIG SPEC101 OF 01 510-000-0000 IL PUR ID: 1005-4284 TAX: 0.00	24499376157900010300162	7623	311.64	

I

Default Account Code: 000000			
CUSTOMER SERVICE CALL TOLL FREE 1-800-344-5696	K CARDHOLDER NUMBER 4246-0000-0000-0000		N ACCOUNT SUMMARY
	STATEMENT DATE L 01-31-07	DISPUTED AMOUNT M \$0.00	PREVIOUS BALANCE \$0.00
J SEND BILLING INQUIRIES TO: C/O U.S. BANCORP SERVICE CENTER, INC U.S. BANK NATIONAL ASSOCIATION ND P.O. BOX 6344 FARGO, ND 58125-6344	AMOUNT DUE \$ 0.00 DO NOT REMIT		PURCHASES & OTHER CHARGES \$758.85
			CASH ADVANCES \$0.00
			CASH ADVANCE FEE \$0.00
			CREDITS \$0.00
		O	TOTAL ACTIVITY \$785.85

COPYRIGHT 2005 U.S. BANK NATIONAL ASSOCIATION ND

PAGE 1 OF 1

This sample is not completely indicative of an actual U.S. Bank statement. Most Purchasing Card statements are several pages in length. The purpose of this sample is to demonstrate content, format and type of information displayed on a U.S. Bank statement.

APPENDIX – D

Cardholder Statement of Account Explanation

Section/Explanation:

- A. CARDHOLDER: Your name as it appears on your card, along with your agency/organization name and office address
- B. MESSAGE: Your agency/organization, or U.S. Bank may provide important program information here
- C. POST DATE: The date U.S. Bank received, processed and posted the transaction posted to the account
- D. TRAN DATE: The date of your purchase. This date should match the date on the sales receipt provided by the merchant
- E. TRANSACTION DESCRIPTION: The merchant's name, city and state
- F. REFERENCE NUMBER: A six-digit number used internally by U.S. Bank to record the transaction posted to the account
- G. MCC CODE: The MCC or Merchant Category Code assigned by the merchant's processing bank and used by the third party processor's system to identify the type of merchant or product sold
- H. AMOUNT: The amount of each purchase as shown on your copy of the sales draft
- I. DEFAULT ACCOUNTING CODE: The Default Accounting Code assigned to your purchasing card, if applicable. All purchases will be automatically associated with this code
- J. STATEMENT CORRESPONDENCE ADDRESS: The statements billing inquiry correspondence address
- K. CARDHOLDER ACCOUNT NUMBER: The 16-digit account number on your card or account
- L. STATEMENT DATE: The date your Cardholder Statement of Account is issued and sent to you
- M. DISPUTED AMOUNT: The net total dollar amount of transactions in dispute
- N. ACCOUNT SUMMARY: Summary of account activity by charge category
- O. TOTAL ACTIVITY: Total balance of purchases and other charges, fees and credits since last statement date



"Raising Expectations"

AFFIDAVIT OF LOST RECEIPT(S)
MEALS, TAXI, LODGING, REGISTRATION, ETC

I, _____, being duly sworn, deposes and says;
Name

that the following receipt(s) have been LOST, DESTROYED, or are NON-ITEMIZED.
For food receipts, I certify that **NO ALCOHOL** was purchased. In the future, I will
provide **ACTUAL** and **ITEMIZED** receipts.

Employee Signature

Supervisor's Signature

Date

Director of Finance

<u>Date</u>	<u>Receipt Amount</u>	<u>Vendor</u>	<u>Purpose (Training, staff meeting etc.)</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

5000 W. Cypress Avenue., Visalia, California 93277

APPENDIX – E