

Credit Card Procedures

PURPOSE

The purpose of the credit card program is to provide a purchasing option for purchases that cannot reasonably be made using the Requisition and PO system. The Requisition and PO system remains the auditor recommended means of making district level purchases. (See Purchasing Procedures)

Cardholder record keeping will be essential to ensure the success of this program. **The retention of receipts is essential for your protection and for audit purposes.**

Examples of where credit cards may be used as an alternative to the Requisition and PO system:

(These examples are general guidelines only. School restrictions may apply. Check with your principal for specific guidelines.)

- Subscriptions, seminar/workshop registrations, motels, and resource materials.
- Travel-meals (not to exceed State per diem rates), motels and gasoline. Per diem for meals is the preferred method of purchase, but a credit card may be used out of necessity based upon volume (i.e. extracurricular travel).
 - If you use the card to purchase a meal, you must identify the specific business purpose and the participants at the meal.
- Instructional and operating supplies when the warehouse and PO system are not viable options.
- ALL technology equipment and software purchases must be approved by the IT department for compatibility prior to purchase.

Some examples of where credit cards may NOT be used:

- Personal purchases.
- In general, meals during travel. Per diem should be utilized. (See Travel Procedure.)
- Cash advances or other financial services.
- Any commitment requiring a purchasing agreement, contract or similar arrangement obligating the district to future services.
- Services normally provided through maintenance department work order.
- Temporary help.
- Purchase of alcoholic beverages or illegal substances.

GENERAL INFORMATION

- Each cardholder is responsible for the security of their credit card and the transactions made against it. The credit card is issued in an individual's name or the name of the school. It will be assumed that any purchases made against the

credit card will have been made by the individual whose name is on the credit card. If the credit card is issued in the name of the school, it will be assumed that any purchase made against the credit card will have been made by the individual who was issued the card. The credit card is the property of the district and is only to be used for district purchases.

- It is the responsibility of the principal/supervisor of all cardholders to monitor credit card usage.
- Users are committing district funds each time they use the credit card. There is an obligation on the part of all cardholders to use the credit card responsibly.
- Improper use of the card is strictly prohibited. Such practices would be considered misappropriation of school district funds. This will result in disciplinary action up to and including termination of employment.
- The credit card administrator will control and maintain a central listing of all cardholders, limits, etc. Principals/supervisors may request reports for their respective location at any time.
- The business office will make all payments for credit card purchases against the designated budget code.

RECONCILIATION: RECORD RETENTION AND PAYMENT

The following controls are required for the reconciliation of all credit card transactions:

- The cardholder can view and print their statement online around the 20th of each month. Cardholders are encouraged to start the reconciliation process as soon as the statement is available. The business office will send your statement to you once received from the USPS around the beginning of each month.
- The purchasing **cardholder is required to obtain and produce detailed receipts** and log all transactions, on the “Credit Card Reconciliation Form”.
- All transactions MUST have an **accurate** budget code designated on the log and state the **business and/or educational purpose of the transaction**.
- Number and attach the detailed receipt in order as the charge appears on the statement and on summary, for all purchases. The receipt and reconciliation form are both great places to elaborate on how the purchase fulfills a legitimate business/educational purpose of the District.
 - The detailed receipt is required, not just the credit card slip.
- Fill in the “amount of payment enclosed” on the credit card statement.
- The credit card administrator will perform regular spot checks, to ensure compliance.
- The cardholder acknowledges the verification of all monthly transactions by signing the bottom of the “Credit Card Reconciliation Form”. The cardholder’s direct supervisor or supervisor with budget authority must also sign the form.
- The cardholder should retain a photocopy of the reconciliation form and receipts just in case the information gets lost in transit and for future reference.

- The cardholder must submit the original reconciliation form, with **detailed** receipts and the credit card statement, to Kara Tortorich in the business building **by the 10th of each month**.
- Responsibility rests with the credit card user and supervisor to ensure all transactions are accurate and legitimate. The business office will contact the credit card user with regard to any discrepancies between the reconciliation form and the statement. The credit card holder must take appropriate action to resolve any discrepancies. (See Card Dispute Process below)

CARD DISPUTE PROCESS-When your records do not agree with your statement.

The following steps should be taken for all credit card transactions in dispute:

- Contact the company involved to rectify the billing problem. If the company agrees that an error has been made, they will credit your credit card account. Cash or check refunds are prohibited.
- Highlight the transaction in question on your reconciliation form as a reminder that the item is pending resolution.
- Ensure correction appears on the next cardholder statement.
- If your dispute is not resolved by the company, **immediately** contact First Interstate Bank to initiate the dispute process and make a note on your statement and "Credit Card Reconciliation Form" that the charge is being disputed and the date you contacted First Interstate Bank.

The bank will investigate disputed items by a cardholder for **up to thirty (30) days** from the statement cutoff date.

(Note: Late delivery are not considered disputed items and must be settled directly with the company.)

KEY CONTACTS

First Interstate Bank

Customer Service: 1-866-317-0355

Lost/Stolen Card: 1-866-839-3485

Credit Card Administrator

Pat McHugh, Executive Director of Business & Operations

Ext. 3020; pmchugh@mcps.k12.mt.us

Kara Tortorich

Ext. 3021; kmtortorich@mcps.k12.mt.us

LOST OR STOLEN CARDS

The credit card is district property and should be secured just as you would secure your personal credit cards. If your card is stolen, notify First Interstate Bank by telephone **immediately**. The lost or stolen card will be cancelled and a replacement card will be ordered. Call or email Kara Tortorich kmtortorich@mpcs.k12.mt.us after you call the bank.

ONLINE STATEMENT AND TRANSACTION ACCESS

Register your card at www.mycardstatement.com to view statements and current credits to your card.

If further information is required, please contact the Kara or Pat for assistance.

CARD CANCELLATION OR PERSONNEL LEAVING

The following are steps to be taken when a card is cancelled or an employee leaves the District:

- Principal/supervisor of cardholder is responsible for collecting and destroying the credit card immediately.
- Principal/supervisor of cardholder notifies Kara Tortorich (Ext. 3021) and immediately delivers the destroyed credit card in a secure, sealed envelope marked "confidential", to Kara Tortorich in the business building.