

KALISPELL PUBLIC SCHOOLS

CHARGE CARD POLICIES AND PROCEDURES MANUAL

Revised January 2023

PURPOSE

The purpose of the charge card is to establish a more convenient, efficient, cost-effective method of purchase and payment for small dollar transactions and to provide schools with a simple method for direct purchases. The program is designed to reduce the requisition process, paperwork, and cycle time for small dollar items. 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.

CONTROL FEATURES BUILT INTO THE PROGRAM

Authorization controls are set in accordance with School District 5 charge card and accounting guidelines. These include:

- Monthly charge limit for each individual card holder (to be reviewed as spending history is accumulated)
- Business Office review of purchases and appropriate budget coding

The following are examples of the types of expenditures that can be made with charge cards. These examples are general guidelines only. School restrictions may apply. Check with your principal or the purchasing department for specific guidelines.

- Motels and airline tickets
- Resource materials such as books, software, and miscellaneous instructional materials that require prepayment when a purchase order cannot be used
- Catering or small dining services for in-house meetings
- Instructional and operating supplies when a purchase order cannot be used
- Extracurricular travel including meals, motels, and fuel
- Resource materials when a purchase order cannot be used
- ALL technology equipment purchases must be reviewed by the Information Technology (IT) department for compatibility prior to the purchase
- Maintenance and custodial incidental materials and supplies when a purchase order cannot be used

Examples of expenditures that cannot be made with charge cards include:

- Supplies that can be acquired through centralized purchasing, which often qualifies for volume discounts,
- 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 a Maintenance Department work order or temporary help

GENERAL INFORMATION

The principal or supervisor of all card holders is responsible for monitoring charge card usage. Each card holder is responsible for the security of their charge card and the transactions made against it. The charge card is issued in each individual's name and it will be assumed that any purchases made against the card will have been made by that individual. **Although the card is used in individual names, it is the property of the district and is only to be used for district purchases.**

The charge 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.

Remember, each time the charge card is used, district funds are being committed. There is an obligation on the part of all card holders to use the charge card responsibly. Improper uses of the card include but are not limited to the following and are strictly prohibited:

- Improperly securing the safety of the card
- Using the card for personal charges
- Shipping items charged to a home address
- Using the card for expenditures exceeding the specified budget limit
- Repeatedly submitting credit card logs and receipts late

The above practices could be considered mishandling and/or misappropriation of school district funds, resulting in card cancellation, disciplinary action or even termination of employment.

Mistakes can happen to the most careful of card holders. A district card mistakenly used for a personal charge should be taken seriously. Reimbursement to the district should take place immediately upon discovery. If reimbursement isn't received by the next payroll run, the personal charge will be deducted from the card holder's paycheck.

RECONCILIATION: RECORD RETENTION AND PAYMENT

The charge card program carries district liability, not individual liability. The Accounts Payable Department will pay one master invoice each month for the entire district. Each card holder's activity may be examined during the district's financial audit or may be audited by the charge card administrator at any time.

Ask for and retain all receipts for goods and services purchased. Responsibility rests with the charge card user and budget account code holder to ensure all transactions are accurate and legitimate.

The card holder is required to maintain a log of all transactions. Forms are posted on the KPS website; use these links: [Credit Card Log \(fillable .pdf\)](#) or [Credit Card Log \(Excel file\)](#)

The card holder acknowledges the verification of all monthly transactions by signing the purchasing statement at the bottom of the form. The administrator or supervisor approves the credit card log after reviewing it for completeness, appropriate budget codes and that all receipts are included with the form. The card holder should retain a photocopy of the log and the receipts just in case the information gets lost in transit and for future reference.

The Accounts Payable Department must compile, review and pay the monthly credit card statement. Every effort will be made to pay the monthly amount on time to avoid interest charges and late fees. *Therefore, it is imperative that approved credit card logs, complete with receipts, budget codes and card holder and supervisor signatures be received by the Business Office no later than the 7th of the month following the statement period month.*

The Accounts Payable Clerk will contact the charge card user to resolve any discrepancies between the log and the statement. The charge card holder will take prompt action to resolve any disputed charges, lack of adequate documentation (receipt) or missing or invalid budget codes.

CARD CANCELLATION OR PERSONNEL LEAVING DISTRICT EMPLOYMENT

When a card is cancelled or an employee leaves the District, the Principal or Supervisor will collect the card from the card holder and cut it in half immediately. Notify the charge card administrator and return the destroyed charge card immediately in a secure, sealed envelope marked "confidential" to the Business Office.

The charge card administrator will cancel cards online regardless of whether the card is returned.

CHARGE CARD DISPUTE PROCESS

When a card holder's records do not agree with the statement, they should promptly initiate a dispute and follow through to resolution. Keep good notes on the credit card log to ensure these transactions and any applicable credits or corrections can be tracked on the subsequent month's statement(s).

If the discrepancy is a bank error, contact First Interstate Bank to discuss the problem and agree on how it will be resolved. Ensure the correction appears on the next card holder statement.

If the discrepancy is a supplier error, contact the supplier involved to rectify the billing problem. If the supplier agrees that an error has been made, request a credit to your charge card account. **Cash or check refunds are prohibited.**

Highlight the transaction in question on your log as a reminder the item is pending resolution. Always ensure any pending issues are corrected in a timely manner. That is, the correction should appear on next card holder statement.

If necessary, contact the charge card administrator for assistance with disputes. Note: problems with suppliers such as late delivery are not considered to be disputed items and must be settled directly with the supplier. The bank will investigate disputed items by a card holder for up to thirty (30) days after a statement cutoff date.

TO OBTAIN A CARD OR CHANGE CARD INFORMATION

To obtain a card, the Principal or Supervisor must send a request to the charge card administrator. If approved, the Accounts Payable Department will contact the employee with further instructions and information. The employee must review and sign the First Interstate Credit Card Agreement, then forward to the Accounts Payable Department for processing. First Interstate Bank distributes a new purchasing card within seven (7) to ten (10) business days.

To change information on a card, contact the charge card administrator.

KEY CONTACTS

Charge Card Administrator:

Denise Williams, Director of Business Services

Denise.williams@sd5.k12.mt.us

(406) 751-3400, extension 3412

Accounts Payable Department

Angela Ginn, Accounts Payable

ginna@sd5.k12.mt.us

(406) 751-3400, extension 3406

First Interstate Bank Customer Service: 1-800-962-3364 or 1-314-542-7111

LOST OR STOLEN CARDS

The charge 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 immediately (888-833-3453). The lost or stolen card will be cancelled, and a replacement card will be ordered.

TO MONITOR AND OBTAIN YOUR STATEMENT ONLINE

Register your card at ezcardinfo.com. You must create a username, a password and security questions. Once the account is set up, you can view statements and current charges on your card. If further information is required, please contact the charge card administrator for assistance.

MANAGING CARD HOLDER DECLINES

Several factors may create a situation for a card decline. These include:

- Exceeded monthly credit limit
- Exceeded transaction limit (total dollars including applicable taxes)
- Card number entered incorrectly
- Expiration date entered incorrectly
- Exceeded corporate limit
- Late payment of account

If a card holder is declined, contact First Interstate Customer Assistance