

**PROCEDURE FOR INDIVIDUAL SCHOOLS**

**USE OF CREDIT CARDS**

1. The Principal is the only employee authorized to apply for a credit card in the name of the school.
2. Credit cards that have not been issued or are currently not being used should be stored in a safe or in a locked drawer to provide for their safekeeping.
3. A listing should be maintained of all issued credit cards and all authorized users as listed in the credit card agreement.
  - a. When multiple employees use one credit card, a separate log should be maintained for each credit card. This log should include columns for (1) printed name of user, (2) signature of user, (3) date checked out, and (4) date returned. The bookkeeper should initial the entry twice: at the time the card is checked out and when the card is turned in.
  - b. The listing of issued cards should be checked before final paychecks are issued to departing employees to ensure the credit cards are turned in. The credit card company should be requested to remove their name as an authorized user and school records should be updated accordingly.
4. Credit cards will only be used for transactions in which the use of a standard purchase order is either impossible or would result in a delay of the delivery of goods or services during the time of emergency. Credit cards may also be used to facilitate out-of-town travel by employees or school groups on official school business or school trips. All use of credit cards shall be done in accordance with the school's purchasing policies and procedures. (This means an approved purchase order must be obtained before each purchase with the credit card is made.)
5. Cash advances from credit cards are prohibited.
6. The Principal at each school will establish individual transaction and daily dollar amount for each card.
7. Personal purchases are strictly prohibited, regardless whether or not the intent is to reimburse the school.
8. Employees will be required to reimburse the school for any unauthorized purchases. If an employee fails to reimburse a school for unauthorized charges, the Principal will notify the Director of Schools. Unauthorized purchases include, but are not limited to, cash advances, personal items, purchases that do not have adequate supporting documentation – that is, an approved purchase order, original itemized invoices and receipts, etc.
9. Actual (original) invoices that support each credit card purchase should be submitted timely. Each individual original invoice, receipt, etc., must have the following information written on (or written on an attached sheet of paper if the receipt or invoice is too small):
  - a. Description of the school purpose for the purchase;

- b. Nature and description of individual items purchased if not clearly apparent from the invoice/receipt;
  - c. The name of the person who made the purchase.
- 10. Timely reconciliation of monthly credit card statements should be performed.  
Reconciliations should be approved by the Principal.
  - a. When the reconciliation is performed, the bookkeeper shall review individual purchases to determine that:
    - i. The dollar amount reported on the supporting documentation agrees with the corresponding amount on the monthly statement;
    - ii. The date of the supporting documentation agrees with the date of the purchase;
    - iii. The supporting documentation represents items purchased for legitimate school purposes.
- 11. Each person who is issued a credit card or is authorized to use a credit card should be required to read and sign that they are aware of credit card procedures.
- 12. The principal should be notified immediately regarding any lost or stolen cards.
- 13. Transactions should be monitored for possible multiple transactions on the same day made to circumvent established dollar limits, individual purchases over established limits, unauthorized purchases, etc.
- 14. Purchases relating to professional development are not allowed at the school level.
- 15. The bookkeeper shall ensure that the credit card statement is paid in full each month so that no finance charges are incurred.
- 16. Copies of each month's credit card statement shall be made available to the Principal, internal auditors, and/or members of the board of education upon request.
- 17. Some credit card companies offer premium or bonus incentives based upon purchases. Premiums that consist of cash should be deposited into the General Fund.