

# Credit Card Manual



## **Purpose**

The purpose of the FISD **credit card**/purchasing card program is to establish an efficient, cost effective method of purchasing and paying **for select transactions**. The credit card will mainly be used for pre authorized travel expenditures (such as reservations, lodging, and registrations that are approved on a Travel Request Form) and select other approved expenditures and business office payments. It can be used with vendors who can provide itemized receipts that will accept MasterCard as a form of payment

## **Benefits**

It will be useful for travel purposes and select other purposes.

## **Acceptable Uses**

FISD credit cards may be used for approved travel and/or select **pre-approved** purchases that do not exceed the single purchase limit per transaction and a 30-day cycle limit. Itemized detailed receipts noting the purchase information are required for all transactions.

## **Purchasing & Documentation**

All purchases on a Purchase Order (PO) must first be approved via a PO to the named and approved vendor. Please note on the PO that payment will be made via credit card to JP Morgan Chase Bank (v# 3995). Occasionally the vendor on the PO will be directly to JPMorgan Chase if it is a one-time preapproved use vendor.

All purchases on a Travel Request must first be approved via a travel request form. Prepare your Travel Request and note detail items such as hotel names and companies that registrations will be paid to. Payment information at the bottom of the form will be to vendor JP Morgan Chase Bank NA (Vendor 3995). Since travel vendors are vast, we do not set them up in the system as a vendor if they are going to be paid via credit card.

It is each card holder's responsibility to submit the required documentation to Accounts Payable and keep a copy of all submissions for their files. No photocopies or rubber stamps are allowed on any credit card documentation. FISD Business Office will retain all documentation for 7 years.

## **Audit/Review**

Every FISD credit card purchase is subject to review and verification by Business Office personnel.

## **P-Card Security**

The credit card should always be treated with at least the same level of care that you treat your own personal credit cards. Keep your purchasing card in an accessible but secure location.

Guard the purchasing card account number(s), your User ID, and Password (if any) carefully. Do not post it at your desk or write it in any other place that is easily accessible by others. No other personnel should have access to your card, User ID, or Password.

## **Controls**

The credit card program uses internal management controls to manage and audit the process to ensure that procedures are followed. Several controls are available to the District and may be implemented for each person that uses a school district credit card.

## **Limits**

Different limits may be set for each credit card, such as a single purchase dollar limit and spending limit per 30-day cycle. If you exceed your card's spending limit, your transaction will be rejected when you attempt to make a purchase.

## **Merchant Category Codes**

Varying by individual cardholder, certain types of supplier category codes will be prohibited and those suppliers will be blocked for all cardholders. Most cards are to be used for registrations and travel, and therefore excluded items might be food establishments, liquor stores, convenience stores, bars, lounges, adult entertainment facilities, etc. Should you have a question concerning an establishment you wish to use or one that was denied, please contact the Assistant Superintendent for Business and Finance.

## **Eligibility**

You must be an FISSD employee to participate at any level. At this time, only the Superintendent, Assistant Superintendents, Principals, and a few other personnel will have a card.

## **Program Management**

All persons obtaining a credit card must first read and become familiar with this Manual.

After signing the Cardholder Agreement, the card will be issued to the holder. At that time, you need to activate the card by calling the number on the card.

The authorized cardholder will be assigned a unique account number. The FISSD credit card is embossed with the individual cardholder's name and Fredericksburg Independent School District tax exempt number.

## **Cancellation/Suspension Procedure**

If a card is to be cancelled, the card holder must contact the Assistant Superintendent for Business & Finance with details.

## **Expired Cards**

Expired cards must be surrendered at the time new cards are issued. Under no circumstances are valid credit cards to be sent via Interoffice Mail.

## **Lost or Stolen Cards**

Report any lost or stolen card immediately to the Assistant Superintendent for Business and Finance. Additionally, contact JP Morgan Chase Bank Commercial Card Solutions at (available 24 hours a day at 1-800-316-6056). Tell the representative the call is regarding a lost/stolen card. You will be required to state FISSD's company I.D. which is #04984 and give your card number and possibly the last four digits of your social security number. Always obtain the name of the

representative to whom you reported the lost or stolen card as well as the date and time you spoke with the representative.

The District is financially liable for the card in the event it is lost or stolen and is subsequently used. The card holder will be held liable for any purchases made before the card is reported lost or stolen. Once you have notified Chase Bank that your card is lost or stolen, the District is no longer liable for any purchases made with the card.

### **Changes in Employment Status**

Any departing employees must turn in their credit card to the Assistant Superintendent of Business & Finance prior to the last day of employment.

### **General Guidelines**

The FISC credit card is issued in an individual's name and all purchases must be made by that specific individual. As an Authorized Card Holder, you are responsible for the security of the card and the transactions made with it. If guidelines are not followed when using the credit card, disciplinary action will result.

The FISC credit card number may be given over the phone or online to reserve a hotel room for any employee traveling on school district business. Note that usually only the card holder can actually charge the room to the card so any other employee would have to obtain a check to the hotel via the travel request form. For non card holders, you may be able to get an authorization form from the hotel, have the card holder sign the form, and send it with the non card holder employee to charge the hotel to the credit card.

When reserving a room over the phone or online, you may use the credit card to HOLD the room, if they confirm that no transaction will occur until the card is presented in person. Hotels may "block" (reserve a certain amount of credit) an authorization placed against your account. This is common practice to protect the hotel against theft, damages, unpaid contractual gratuity, movies viewed in the room, etc. This will not constitute a financial transaction; it will not post to the account until the transaction is finalized. This authorization (sometimes called a "reserve" or "hold") will affect that account's available balance for that cycle until you are issued a receipt. If the transaction is not finalized, those funds will not become available until the new cycle begins. When you sign your receipt, you are agreeing to the transaction total showing on the receipt.

**Ensure that credit card transactions do not include Texas state sales or Texas hotel occupancy tax. In the event you have allowed an unauthorized or inappropriate charge, you will be required to reimburse the district for that expense.**

### **Purchasing/Payment Guidelines**

The credit card is not intended to avoid or bypass appropriate purchasing or payment procedures as outlined in Board Policy CH Local, FISC Business Office Procedures Manual. This program complements the existing processes available. The credit card is to be used for District business only. Personal purchases will be considered misappropriation of district funds, which constitutes a criminal offense and must be referred to the FISC Assistant Superintendent for Business & Finance.

## **Consequences for Failure to Comply with Program Guidelines**

- Revocation of card.
- Disciplinary measures that may include termination and legal action.
- Card User may be required to reimburse FISD for inappropriate, restricted, or prohibited purchases.

## **Misuse of Card**

Anyone suspecting fraudulent use or misapplication of the card should report this immediately to the Assistant Superintendent for Business & Finance.

## **Travel Forms**

- A copy of the Travel Expense Form submitted for reimbursement should accompany any receipts for travel-related purchases (Travel Guidelines). Any hotel amount charged over the allowable rate will be reimbursed by the employee to FISD.

## **Receipts**

Itemized receipts are required for all transactions regardless of fund or vendor.

- “Itemized” means that the number of items purchased, specific description (i.e. “gen. mdse”, “misc.”, or “tax exempt item” are not adequate descriptions) and price for each item purchased must be provided, along with subtotal, tax exemption, and total. Vendor’s name must appear imprinted or stamped on all receipts. Adding machine tape with item description handwritten alongside is not an itemized receipt.
- Receipts smaller than 8-1/2” X 11” should be taped to an 8-1/2” X 11” sheet. (Do not place scotch (clear) tape over any writing on register receipts, since it will erase printing on most receipts and may necessitate the card user providing a duplicate receipt.)
- Oversized receipts should not be cut to fit an 8-1/2” X 11” sheet of paper. These receipts should be folded and placed on the 8-1/2” X 11” sheet in such a manner allowing ease of access during the audit process. This can be accomplished by taping the top corners of the receipt to the sheet of paper, folding and paper-clipping the receipt to fit the sheet.
- Do not use highlighter over any writing on receipts because it will black out information on slick thermal paper.
- Receipts for credits are also required, must be itemized, and signed by card holder.
- Lost receipts are not an option. If a receipt is lost (whether for purchase or credit), the card user must obtain a duplicate from the Vendor. If a receipt is not obtained, the card holder must reimburse the district for any charges that will appear on the credit card.
- Any differences (between receipts and statements) are to be noted in writing.

## **Corrections**

- Differences will be reviewed by Business Office and appropriate correction/clarification Requests made to card holders via email.
- Fund Approver has 7 days to respond via email or fax to any request before credit card activity for that holder is suspended.

## **Disputed Items**

If the Business Office audits the statement and determines some charges are disputable, we will immediately investigate these charges to determine if any abuse has occurred or if the charges are valid. Appropriate action will be taken by the Business Department to clear the disputed items.