

Adopted: October 19<sup>th</sup>, 2020

**STEP Academy POLICY NO. 8.9**  
**CREDIT CARD USE**

**I. POLICY STATEMENT**

The Board of STEP Academy recognizes that Board members and in some instances administrators and staff are required to expend funds in the performance of school business when a purchase order is neither practical nor possible. In those limited instances, use of a school credit card may be appropriate. It is the purpose of this policy to establish procedures for the proper use of and reimbursement for purchases made on school credit cards.

**II. PURPOSE**

The purpose of this policy is to establish procedures governing the appropriate use of credit cards issued in the name of STEP Academy.

**III. POLICY TERMS**

The use of school credit cards by the STEP Academy officers and district office administrators is subject to the following procedures:

- A. School credit cards will be under the custody of the Executive Director;
- B. School district officers and district office administrators shall direct a written request for the use of a school district credit card to the Executive Director. The request shall include the nature of the items to be charged, estimated amounts to be charged, the date(s) of the requested credit card use, and the date that the credit card will be returned to the Executive Director. The Executive Director shall maintain a log of school district credit card use.
- C. Any charges against the credit card that are not properly reimbursed expenditures are to be identified upon the return of the credit card to the Executive Director. At that time, the responsible officer or employee shall issue a check to the school for reimbursement of those credit card charges.
- D. No payments shall be made on the basis of a statement or a credit card slip only. Supporting documents such as paid bill and receipts must be provided to the

business office at the time that the credit card is returned. Any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee shall be the responsibility of that officer or employee. The school business office shall pay in full the credit card balance(s) no later than the due date so that finance charges will not be incurred.

- E. Personal items shall not be charged on school credit cards. If a personal item is inadvertently purchased on a school credit card in violation of this policy, repayment by the employee must be made immediately. Failure to make the required payment may result in an automatic deduction from the individual's next payroll disbursement. Accordingly, the school will require individuals issued credit cards to sign a written authorization for payroll deduction in the event of such personal use.
- F. Airline tickets may be purchased with a school credit card only with prior [Executive Director or designee] approval. If the issued credit card provides for purchase incentives (i.e., points, discounts or airline mileage credits), such incentives shall only be redeemed for authorized school business.
- G. Charges on a school credit card cannot exceed   in any month.

#### **IV. PROHIBITED USE.**

School credit cards must not be used for purchases in the following categories:

- A. Food and beverages for an individual employee;
- B. Alcoholic beverages;
- C. Cash or cash advances;
- D. Items for personal use.

#### **V. LATE FEES AND FINANCE CHARGES.**

- A. Late fees which occur because the employee cardholder did not submit a monthly statement and required documentation to the business office in a timely manner are the responsibility of the cardholder. The cardholder must reimburse STEP Academy within one billing cycle from the date of the late fee or finance charge. Reimbursement may be made by cash or personal check to the business office. If payment is not received within one billing cycle, this may result in an automatic deduction from the individual's next payroll disbursement. Accordingly, the school will require individuals issued credit cards to sign a written authorization for payroll deduction in the event of late fees.

## **VI. RETURNS AND EXCHANGES**

If any item purchased with a credit card is unacceptable or not allowable, arrangements must be made for a return for credit or an exchange whenever feasible. A cash refund or check is prohibited unless the vendor insists that a refund must be by cash or check. In such cases, the funds must be deposited immediately with STEP Academy. If a refund is issued in the form of a check, the check must be payable to the school.

## **VII. CARDHOLDER RESPONSIBILITIES**

Each individual cardholder has the following responsibilities:

- A. Safeguard the credit card and card account number at all times; lost or stolen credit cards must be reported immediately;
- B. Keep credit card in a secure location at all times.
- C. Do not allow anyone else to use the credit card or card account number.
- D. Obtain and retain itemized receipts in an acceptable form for goods and services purchased. Examples of acceptable forms include: itemized receipts/order confirmations delivered to the employee electronically, copies, faxes, or original paper receipts. Copies of credit card bills are not acceptable forms of receipts. A card user may be allowed to file an affidavit in lieu of a receipt if the receipt is lost or not obtained. Use of affidavits in lieu of a receipt is discouraged. All credits, including returns, must be documented with itemized receipts referencing the original purchase and purchase date. For Internet purchases, the print out of the order confirmation showing the details, the email confirmation, or the shipping document showing what was purchased, the quantity and the price paid shall suffice as an acceptable form of an itemized receipt.
- E. Review individual card transactions to ensure accuracy, authenticity and compliance with policies and procedures. Reviews must occur within five days of issuance of the monthly cardholder statement. Proper documentation must be attached to the monthly statement or transaction. The authorized user must sign or electronically approve that the goods or service have been received.
- F. Submit the individual card statement and documentation to the Treasurer for approval.
- G. Surrender the individual card and corresponding support documentation to the Treasurer prior to separation from STEP Academy or as otherwise requested.

- H. Take any other steps necessary to ensure that the school credit card is used only for authorized purposes.

## **VIII. DUTIES OF TREASURER.**

The Treasurer is responsible for reviewing employee cardholder expenses and ensuring compliance with this procedure and any other applicable policies and procedures. Duties include:

- A. Approving employees for participation in the credit card program;
- B. Reviewing purchases to ensure they meet objectives, are within restrictions placed on the card and are deemed necessary;
- C. Reviewing purchases to ensure card has not been used for unauthorized or inappropriate purchases;
- D. Identifying and tracking cash equivalents purchased with credit cards. Cash equivalents include but are not limited to gift cards, bus passes and parking vouchers;
- E. Responding to any misuse of the card by cardholder;
- F. Ensuring closure of credit card at the time of the employee's separation from employment or removal of credit card authority;
- G. In a timely manner, submitting the individual card statement and documentation with evidence of review to the Treasurer for payment processing.