

Policy for Use of Purchase Cards by Schools
September, 2011

Overview

The _____ Parish School Board authorizes each school to utilize a purchase card for the payment of general purchases from their School Activity Funds in accordance with guidelines detailed in the *School Activity Funds Policy and Procedures Manual* and LSA-RS 17:414.3. One purchase card may be issued to each school, only in the name of the Principal, at an amount determined by the Central Office.

The use of School Board purchase cards improves the efficiency of transactions, provides a vehicle for online purchases and last-minute purchases from approved local vendors, and reduces the administrative burden on staff.

Scope and Application

This policy states the principles governing the use of School Board purchase cards and the procedures for the issue and acquittal of cards. No School Board purchase cards may be issued or used except in accordance with this policy. The School Board reserves the right to monitor and audit all purchase card transactions in accordance with LSA-RS 17:414.3(C).

Policy Principles

1. Purchase cards may only be issued to a Principal and by the Business Services staff member designated by the Director of Business Services and Superintendent. The issue of School Board purchase cards is also subject to approval by and regulations of the issuing bank.
2. School Board purchase cards may only be issued to a Principal who has signed acknowledging receipt and understanding of policies and procedures for authorized use of a School Board purchase card.
3. Cardholders are responsible for the safe custody of cards and the security of card information, and are trusted to spend school funds prudently in accordance with state law and School Board policies governing school activity funds.
4. Cardholders are required to retain supporting documentation (a receipt) for all expenses incurred on their purchase card and are required to complete a monthly Purchase Card Register. The Register will include the date of the charge, vendor, amount, business purpose, and general ledger coding.
5. Cardholders are required to pay their expenses in full by the due date each month. In addition the Central Office shall require reimbursement of any late fees, interest, or penalties for late payment.

6. Purchase cards may be used only for transactions associated with the academic, administrative, athletic, club, and community activities of the school. Cash advances are strictly unauthorized. Misuse of a School Board purchase card in breach of this policy may result in consequences detailed in 11 and 12 below. Misuse includes but is not limited to
 - a. using the card for a private transaction such as a personal purchase;
 - b. assigning or transferring the card to another person;
 - c. using the card after the cardholder's employment relationship has been suspended or terminated;
 - d. using a School Board purchase card without the named cardholder's specific written authority;
 - e. failure to pay the purchase card in full on time every month;
 - f. using the card for a transaction for which there are insufficient funds;
 - g. using the card for expenditures not previously approved where prior approval was required; or
 - h. using the card for a cash advance.
7. Cardholders must return their School Board purchase card permanently when
 - a. they leave their employment or engagement with the _____ Parish School Board, or
 - b. they are no longer a Principal.
8. Cardholders must return their School Board purchase card temporarily for safekeeping when
 - a. their relationship with the _____ Parish School Board is temporarily suspended, or
 - b. they take periods of extended leave from their School Board activities.
9. School Board cards may be withdrawn or cancelled by the Superintendent, Assistant Superintendent, or Business Services Director.
10. Any rewards offered by the issuer of a purchase card may not inure to any individual, but only to the school. Cash rebates must be applied only to reduce future payments.
11. The Internal Revenue Code requires detailed receipts to prove the business purpose of the expenditure. In addition, state law prohibits the misappropriation of public funds for private use. Therefore, those Principals missing any receipts may be subject to either of the following actions:
 - a. reimbursement immediately to the school for the total of all purchases with no receipts, or
 - b. automatic deduction from the next paycheck of the total of all purchases with no receipts.

Full reimbursement will be made when receipts are submitted at a later time.

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12. In addition, those Principals missing any receipts or otherwise misusing the purchase card may also be subject to the following actions at the discretion of the Central Office:
- a. reimbursement of any late fees, interest, or penalties for late payment;
 - b. reduction of the total purchase card amount;
 - c. revocation of the purchase card;
 - d. written conference documentation placed in the Principal's personnel file;
 - e. suspension;
 - f. termination; and/or
 - g. the pursuit of criminal charges.

Approved: _____
Superintendent

By my signature below I acknowledge (1) receipt of a School Board purchase card; (2) that I understand and will abide by all policies and procedures for the authorized use of the purchase card; (3) that I accept responsibility to safeguard the purchase card assigned to me; and (4) that I understand the consequences if I misuse the purchase card.

Principal's Signature: _____ School: _____

Printed Name: _____ Date: _____