**LANSING SCHOOL DISTRICT**

Cardholder Agreement

**OVERVIEW**

The Purchasing Card Program is intended to streamline and simplify the Purchasing and Accounts Payable functions. The Purchasing Card is a tool that reduces transaction costs, facilitates timely acquisition of materials and supplies, automates data flow for accounting purposes and offers flexible controls to help ensure proper usage. The Purchasing Card Program is not intended to avoid or bypass current payment procedures. Rather, the Program complements the existing processes. Some minimal record keeping is essential to ensure the successful use of the Purchasing Card. This is not an extraordinary requirement; standard payment policies require retention of receipts, etc.

PLEASE REMEMBER THAT YOU ARE COMMITTING DISTRICT FUNDS EACH TIME YOU USE THE PURCHASING CARD. You are the person responsible for all charges made to the card, which has been issued to you. Intentional misuse or fraudulent abuse may result in disciplinary action up to and including dismissal.

The card will have no impact on your personal credit. Although the card lists an individual’s name, the card is actually issued to the School District.

**OBTAINING A CARD**

You are responsible for the security of the card and all transactions made against the card. You will be required to sign this Purchasing Card Cardholder Agreement as part of the Purchasing Card application.

When you receive your Purchasing Card, IMMEDIATELY SIGN the back of the card and always keep it in a secure place. Although the card is issued in your name, it is the property of the School District and is only to be used for district purchases as defined in this guide.

**PURCHASING CARD RESTRICTIONS**

The Purchasing Card **IS NOT** to be used for personal purchases, alcohol, tobacco, cash transactions such as money orders, ATM, traveler’s checks and wire transfers.

**DO NOT SPLIT A TRANSACTION into separate receipts to bypass your single purchase limit.**

**USING THE CARD:**

**YOU MUST HAVE A DETAILED, ITEMIZED RECEIPT FOR ALL ITEMS YOU PURCHASE SHOWING WHAT WAS BOUGHT AND THE AMOUNT**. If you are unable to provide detailed, itemized receipts along with your purchasing log to the Purchasing Department by the 10th of the following month, you agree to reimburse the district for the cost of the charge. If reimbursement is not received, you agree by signing this document to a payroll deduction for the amount of the items charged.

Necessary approval must be obtained prior to making each purchase. You may use the credit card wherever it is accepted. It is required at the time of purchase that you receive a receipt. You may also order by phone or mail using your credit card. When you place your order, ask that a receipt be included with the goods when the product is shipped to you. This receipt is the only original documentation. Your name and type of credit card must appear on the packing slip and external shipping label. The supplier will ask for your Purchasing Card number, expiration date and the “ship to” address. This should **always** be a Lansing School District address. It is important that the name of your card (i.e. Visa, MasterCard, etc.) and your name appear on the invoice. You may also purchase online. After you send the order, print off the e-mail confirmation as proof of purchase for reconciliation purposes and include it with your purchasing card log along with your itemized receipt.

**SALES TAX**

Sales tax **SHOULD NOT** be paid on any purchase made with the Purchasing Card. The School District is tax-exempt. **We are not exempt from occupancy, resort, etc taxes or fees. Only 6% sales tax.** While we do not have reciprocal agreements with other states, it is always good to ask for the tax-exempt status. Many times your request will be honored. Because we are tax-exempt, if the Cardholder has sales tax on their purchasing card log receipts, it is their responsibility to either contact the vendor to get a refund issued for the tax or it will need to be reimbursed to the district through payroll deduction.

**RECONCILING YOUR ACCOUNT**

**The Purchasing Department will be responsible for sending out monthly statements to the Cardholder from the Fifth Third Bank web-site so you do not need to set up an account with Fifth Third Bank.** This will be done on or after the 28th of each month as statements usually cover transactions from the 27th to the 27th of each month. This activity will include purchases and credits made during the reporting period. While the Cardholder will not be responsible for making payments, the Cardholder will be responsible for the verification and reconciliation of all Account activity. The statement will identify each transaction made against the Purchasing Card during the billing cycle. This statement must be immediately reconciled against your receipts for accuracy. Forward your signed log, statement and all receipts to your supervisor for approval. After review/approval, your supervisor will forward to the Purchasing Department at [pcards@lansingschools.net](mailto:pcards@lansingschools.net). If you are unable to provide your log with detailed, itemized receipts, you agree to reimburse the district for the cost of the charges. If reimbursement is not received, you agree by signing this document to a payroll reduction for the amount of the items charged.

Your statement/log and receipts must be provided to the Purchasing Department by the 10th of each month.

# RESOLVING ERRORS AND DISPUTES

In case of an error, contact the vendor to reach an agreement. Most disputes can be resolved between you and the vendor directly. If you are unable to reach an agreement with the vendor, please call the Purchasing Department at 517.755.3032 or email [pcards@lansingschools.net](mailto:pcards@lansingschools.net) with any questions. If you need to, please contact the bank about the dispute by calling the number on the back of your card. You might be asked to complete a Statement of Questioned Item Form. The bank will flag your account pending an investigation. ALL DISPUTES MUST BE SUBMITTED IN WRITING TO THE BANK WITHIN 60 DAYS OF THE STATEMENT DATE.

**LOST OR STOLEN CARDS**

Your Purchasing Card must be secured, just as you would secure your personal credit cards. If your card is lost or stolen, immediately contact the Purchasing Department so they can close your card and get a new card issued to you. You can also contact the bank via their toll free number on the back of your card. Please also notify the Purchasing Department if you have requested for a new card from the bank.

**REFUSAL OF CARD OR ACCOUNT**

If your purchase is declined, the vendor will not know why the sale did not go through. Turn your card over and call the customer service number. The representative will tell you why the sale was declined. You can also reach out to the Purchasing Department to see why your purchase was declined.

**DEPARTMENTAL CHANGES**

1. If you transfer to another department or School, please contact the Purchasing Department.
2. If you resign your position, **IMMEDIATELY RETURN YOUR CARD TO THE PURCHASING OFFICE.**

**PURCHASING CARD AUDIT ACTIVITY**

Your purchasing card activity is subject to random audits by the Business Office and/or the district auditing firm to help ensure adherence to the program’s policies and procedures.

**MERCHANTS THAT DO NOT ACCEPT THE CARD**

Merchants are encouraged to become involved in the Purchasing Card Program so that you can use the Program most effectively. Merchants may contact their local bank or financial institution to become credit card capable. For those merchants that are unwilling to participate in the Program, alternative sources should be found.

**Purchasing Card Do’s and Don’ts**

**DO’S**

**Do** Know your credit limit: If you are unsure of what your available credit balance is, contact the Purchasing Department at 517.755.3032 or at [pcards@lansingschools.net](mailto:pcards@lansingschools.net) with any questions about your purchasing card.

**Do** Use the card **ONLY** as approved by your supervisor and by the funding source.

**Do** Contact the Purchasing Department if you will be using the card out of State to make sure you have a sufficient credit limit.

**Do** Contact the Purchasing Department to close the purchasing card if you (or an employee you supervise) changes assignment or leaves the Lansing School District.

**Do** Keep a Purchasing card log and attach all original receipts each month. Billing Cycle is usually from the 27th to the 27th of each month (unless on weekend or holiday).

**Do** Request credit limit changes with the Purchasing Department. Permanent increased limits need approval by your Supervisor and then have them email the Purchasing Department to process the change.

**Do** Know the rules and limits for your funding source. The card may allow a purchase that is not allowable by the source of funds. You are responsible to ensure that all purchases are allowable.

**Do** Use suppliers located in the Lansing School District whenever possible.

**Do** Use suppliers designated on Lansing School District contracts and REMC.

**Do** Present the yellow “Tax Exempt” card when you use your card.

**Do** Call the Purchasing Department at 517.755.3032 if your card is denied unexpectedly.

**Do** Keep your card and card number in a secure place.

**Do** Get a clearly written detailed and itemized receipt with a final total.

**Do** Turn in your approved Purchasing card log and all original receipts to the Purchasing Department by the 10th of each month. If not received by this time, your Purchasing Card may be deactivated.

**DO** Make sure that you have an approved Conference Request Form prior to making conference related purchases. Please attach a copy of the approved Conference Request Form when submitting these expenses.

**DO** Make sure you have an approved Field Trip Form prior to making a field trip related purchase. Include a copy of the approved Field Trip Form when submitted these expenses.

**DON’TS**

**DO NOT** Give your Purchasing card to another person for them to use unless approved by Supervisor.

**DO NOT** Buy alcoholic beverages of any kind at any time.

**DO NOT** Use the card for any personal items.

**DO NOT** Use the card for personal snacks or beverages.

**DO NOT** Use the card for snacks or meals for employees during normal working hours. Meals at conferences are not to be put on a district purchasing card. It will need to be put on your personal card and you will need to fill out a Meal Per Diem Reimbursement form after the conference takes place and submit for reimbursement.

**DO NOT** use the card for car rental expenses. Car rentals are **not allowed** on district purchasing cards. If one is necessary for district travel this must be noted separately on the conference request form with specific approval prior to travel. Car rentals will need to be paid with personal funds and submitted for reimbursement. If this expense reimbursement is requested then mileage reimbursement will not be approved.

**DO NOT** Use the card for any unapproved purchases.

**DO NOT** Use your card for airline tickets. Tickets are booked through Altour and put on Purchasing’s District card.

**DO NOT** Use the card for Amazon purchases. We have a district account so Amazon purchases need to go through the requisition process.

**DO NOT** Destroy or turn-in your card when not in use. Keep it in a safe place. The same card may be reactivated at a later date.

**DO NOT** Buy unneeded items to “use up funds”.

**DO NOT** Pay Michigan sales tax on purchases

**DO NOT** Split purchases to by-pass the purchasing card limits.

**DO NOT** Buy from anyone over the phone unless you initiated the telephone conversation. If you are tempted to buy from a caller, ask for the offer to be sent to you in writing and let the caller know that you will call them back after reviewing the written documents, if interested. If the caller refuses to put the offer in writing or refuses to give you a call back number, hang up the phone.

**DO NOT** Sign a blank or unreadable receipt. Make sure the final total is clearly written on all receipts.

**DO NOT** Use the card for any expenses that are not allowed and plan to pay the District back later. This is taking a loan from the Lansing School District and is strictly not allowed.

**DO NOT** Use the card to pay a contracted service, employee or private citizen for personal services. Contracted services need to go through the requisition process with a fully approved contracted service agreement on file.

**DO NOT** Have items delivered to your home address or any address other than a LANSING SCHOOL DISTRICT building.

**DO NOT** Write your Purchasing Card number anywhere others may see it.

**Please keep this portion of the packet and forward the last 3 pages to the Purchasing Department**

**Acknowledgement of Responsibilities**

**Participating Employee Acknowledgment of Responsibilities**

By participating in the Lansing School District Purchasing Card Program as a Cardholder, you assume responsibilities pertaining to the operation of the Purchasing Card Program. Please see the Purchasing Card Program Guidelines for complete list of responsibilities, which include but are not limited to the following:

* The Lansing School District Purchasing Card is to be used for authorized business expenditures only. The Purchasing Card may only be used within the policies and procedures outlined for the Purchasing Card program.
* The Purchasing Card will be issued in the name of the employee. By accepting the Card, the employee assumes responsibility for the card and will be accountable for all charges made with the Card. The Card is not transferable and may not be used by anyone other than the Cardholder.
* The Purchasing Card must be maintained with the highest level of security. If the Card is lost or stolen, or if the Cardholder suspects the card or account number has been compromised, the Cardholder agrees to immediately notify Fifth Third Bank and the Purchasing Department. Oral notification is to be followed up by written confirmation.
* On a monthly basis, the Purchasing Department will be responsible for sending out statements to the Cardholder from the 5/3 Bank web-site. This will be done on or after the 28th of each month. This activity will include purchases and credits made during the reporting period. While the Cardholder will not be responsible for making payments, the Cardholder will be responsible for the verification and reconciliation of all Account activity.
* Cardholder’s Account will be subject to periodic internal control reviews and audits. By accepting the Card, the Cardholder agrees to comply with these reviews and audits. The Cardholder will be asked to produce the Card to validate its existence and produce statements and receipts to verify appropriate use.
* Policies and procedures related to the Purchasing Card Program may be updated or changed at any time.
* The Cardholder agrees to surrender and cease use of their Card upon termination of employment whether for retirement, voluntary separation, resignation or dismissal. In addition, the Cardholder must surrender and cease use of the Card in the event of transfer or relocation. The Cardholder may also be asked to and agrees to surrender the Card at any time deemed necessary by management. **If you resign your position, IMMEDIATELY RETURN YOUR CARD to the Purchasing Office or shred your card. If you do resign, either you or your supervisor must notify the Purchasing Department so they can close your purchasing card.**
* No subsequent invoice should be received from the vendor related to any Purchasing Card purchases.
* Misuse, including, but not limited to, personal use or unauthorized use and/or fraudulent use of the Card will result in disciplinary action, up to and including termination and/or civil or criminal penalties.
* Cardholders agree to have monthly logs approved, signed and submitted to the Purchasing Department no later than the 10th of the following month and email them to pcards@lansingschools.net. Logs for Cardholder’s account that have not been received by that date may be deactivated.
* Because we are tax-exempt, if the Cardholder has sales tax on their purchasing card log receipts, it is their responsibility to either contact the vendor to get a refund issued for the tax or it will need to be reimbursed to the district through payroll deduction.

By signing below, I acknowledge that I have read and agree to the terms and conditions of this document. I certify that as a participating Cardholder of the Lansing School District’s Purchasing Card Program, I understand and assume the responsibilities listed above.

Employee Signature Name (Print) Position/Title Date

Supervisor Signature Name (Print) Manager Title Date

**To be submitted to the Purchasing Department for processing.**

**This part to be completed at the time Purchasing Card is issued:**

**Confirmed understanding of the above information?\_\_\_\_\_\_\_**

**Card picked up on \_\_\_\_\_\_\_\_\_\_\_\_\_ Issued by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**



Pre-Authorization for Payroll Deduction of Unauthorized Charges

“MAGIC”

Credit Card 5/3 Bank

Unauthorized purchase by staff members are not the responsibility of the Lansing School District. Staff members that commit to unauthorized purchases shall be held individually responsible for payment of such obligations.

By participating in the Lansing School District Commercial Card Program as a cardholder, an employee assumes responsibility pertaining to the operation and administration of the Commercial Card Program. The employee shall sign the cardholder agreement to join the Lansing School District Commercial Card Program. This program is optional.

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (full name) authorize immediate reimbursement by payroll deduction of the full amount of any Purchasing Card transactions that are disallowed due to non-compliance with the Commercial Cardholders Agreement, Lansing School District Policy, applicable laws and procedures of the Lansing School District. I understand that if a purchase is denied by the Lansing School District after a charge transaction has been completed (using the Purchasing Card assigned), I shall be notified and the Lansing School District will deduct full amount from my pay.

Employee Number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Title\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Location\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**To be submitted to the Purchasing Department for processing.**

LANSING SCHOOL DISTRICT

PURCHASING CARD REQUEST FORM

## Please check one: New Card\_\_\_\_\_\_\_\_ Work Location Change\_\_\_\_\_\_\_

## Close Account\_\_\_\_\_\_\_\_\_ (Reason\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

## Date:\_\_\_\_\_\_\_\_\_\_

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| Full Name: | |  | | | | |  | | |  | |
| **(As it Appears** Last  **On your Paycheck)** | | | | | | | First | | | M.I. | |
| Address: | |  | | | | | | | |  | |
| **(Home Address** Street Address  **Is required)** | | |  | | |
|  | |  | | | | | | |  |  | |
| City | | | | | | | | | State | ZIP Code | |
| Cell Phone: | | ( ) | | | District Phone: | | | ( ) | | |
| **“Cell phone number is required for Fifth Third use to confirm card activity as needed.”**  E-mail Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (District) | | | | | | | | | | | |
| ***Date of Birth: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***  ***Social Security Number (last 4 digits):\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*** | | | | | | | | | | | |
| Job Information | | | | | | | | | | | |
| Title |  | | | Employee ID: | | |  | | | | |
| |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | Supervisor: |  | | | Department: |  | | Work Location: | |  |  | |  | | | | | | | | | | | | |
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Credit Limit: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**See Purchasing Procedures effective 03.01.13**

Employee Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_

Supervisor Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_

Updated: November 1, 2022