



## **PURCHASE CARD CARDHOLDER AGREEMENT**

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### **Introduction**

Bay-Arenac ISD has entered into an agreement with Chase that provides qualified employees with a Commercial Card at company expense to purchase selected materials. Using the Commercial Card benefits the Company and Cardholder through:

- Promptly paying our suppliers
- Reducing overall processing costs
- Decentralizing purchasing responsibility

The policies contained in this agreement and in the supplemental Commercial Cardholder's Guide must be followed by Cardholders as guidelines for conducting Company business. Policy violations will result in revocation of Cardholder privileges and possible disciplinary action.

### **General Policy Guidelines**

Cardholder Definitions: Commercial Cards are issued at the discretion Bay-Arenac ISD to qualified employees.

Ownership and Cancellation of the Commercial Card: The Commercial Card remains the property of Chase. It may not be transferred to, assigned to, or used by anyone other than the designated Cardholder. Chase or Bay-Arenac ISD may suspend or cancel Cardholder privileges at any time for any reason. The Cardholder will surrender the Commercial Card upon request to an authorized Bay-Arenac ISD employee or any authorized agent of Chase. Use of the Commercial Card or account after notice of its cancellation may be fraudulent and may cause Bay-Arenac ISD to take legal action.

Spending Limits: Each Commercial Card has pre-set spending limits which may not be exceeded under any circumstances. The Commercial Card should be used when possible for charging materials and selected. **NO PERSONAL EXPENSES ARE TO BE CHARGED TO THE COMMERCIAL CARD.**

Commercial Card Abuse: Abuse of the Commercial Card will result in revocation of the Card and appropriate disciplinary action which may include termination. Policy violations include, but are not limited to:

- Purchasing items for personal use
- Exceeding bank credit line limit
- Using the Commercial Card for travel and entertainment purposes
- Failure to return the Commercial Card when reassigned, terminated, or upon request
- Failure to submit proper documentation to the appropriate Accounts Payable department
- Failure to submit proper documentation by set deadline three times in one year results in loss of card for one year
- Violation of Board Policy results in permanent loss of card

**Usage**

For additional specific usage guidelines, the Commercial Card Cardholder must refer to the supplemental Cardholder’s Guide which is distributed with the Commercial Card and by this reference is incorporated and made a part of this agreement.

**Receipts**

It is the Commercial Card Cardholder’s responsibility to obtain itemized transaction receipts from the merchant or supplier each time the Commercial Card is used. Each month, the Cardholder will receive an activity statement from the bank. Individual transaction receipts are to be attached to this monthly activity report and submitted to the Cardholder’s supervisor for review and approval. Following supervisor approval, the activity report and receipts must be forwarded to Accounts Payable.

**Disputed Items**

It is the Commercial Card Cardholder’s responsibility to follow-up on any erroneous charges, returns or adjustments and to ensure proper credit is given on subsequent statements. The Cardholder’s Guide contains specific guidelines for handling dispute resolutions.

**Protecting the Commercial Card**

The Commercial Card is valuable property which requires proper treatment by the Cardholder to protect it from misuse by unauthorized parties.

Validation/Safekeeping: Sign the Commercial Card immediately upon receipt. When the expiration date has passed and/or after you have received a new Commercial Card, cut the old Commercial Card in half and dispose of it. Make sure the Commercial Card is returned to you after each charge and verify that the returned card has your name on it.

Lost/Stolen Commercial Cards: If the Commercial Card is lost or stolen, contact the Bank’s 24 hour toll free number at 1(800)316-6056. The Cardholder is also required to contact the Commercial Card Administrator at 667-3204.

The undersigned Commercial Card Cardholder applicant and supervisor request that a Commercial Card be issued to the applicant. This applicant has read the above agreement and guidelines and agrees to be bound by their terms and conditions.

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Commercial Cardholder Applicant Date

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Supervisor Date