

Franklin County Schools

Administrative Procedure

Debit Card Issuance, Use, and Management By SSO

2.404.7

Purpose

This administrative procedure governs the issuance, use, and management of debit cards by School Support Organizations (SSOs) affiliated with the Franklin County Tennessee School District. It ensures that all debit card transactions are conducted responsibly, transparently, and in compliance with state law, district policies, and SSO financial guidelines.

Debit Card Authorization and Issuance

- The use of debit cards must be authorized by the SSO board annually. The board must be aware that authorizing the use of a debit card increases the risk that fraud may occur.
- Any debit card used must be issued in the name of the School Support Organization, not in the name of the school or district.
- Only the SSO Treasurer or Board-approved officer may apply for or manage an SSO debit card.
- The application for a debit card must be approved by a majority vote of the SSO board and documented in meeting minutes.
- A copy of the debit card agreement, terms, and card number must be stored securely by the Treasurer, and access must be limited to authorized officers.

Authorized Use

Debit cards may be used only for legitimate, pre-approved purchases that support the SSO's mission and directly benefit the school community. Acceptable uses include:

- Event-related expenses
- Online vendor purchases where invoicing is not possible
- Emergency or time-sensitive purchases when check issuance would cause delay

Prohibited uses include:

- Cash advances or ATM withdrawals
- Personal purchases of any kind
- Routine operating expenses that could be handled via check
- Alcohol, personal gifts, or other items inconsistent with school or district standards

Documentation Requirements

All purchases must be accompanied by proper documentation. The following procedures apply:

1. Receipts: Original, itemized receipts must be submitted to the Treasurer within three (3) business days of the transaction.
2. Purchase Review: A second officer (preferably the President or Secretary) must review and approve purchases monthly against receipts and statements.
3. Inventory: Any physical items purchased must be recorded on the SSO's inventory log and labeled as SSO property when appropriate.

Spending Limits and Controls

- The debit card must have a monthly spending limit set and approved by the SSO board.
- No single transaction may exceed \$500 without prior board approval.
- The Treasurer shall reconcile debit card statements monthly and report the activity at SSO meetings.
- Any finance charges or late fees incurred due to negligence shall be the responsibility of the card user, not the SSO.

Violations and Consequences

- Misuse of the debit card, including personal charges, lack of documentation, or exceeding limits without approval, shall result in revocation of card privileges and may result in restitution and/or removal from office.
- Repeated or intentional misuse may be reported to the school principal and/or referred to the district office if school reputation or liability is impacted.

Compliance and Transparency

- SSOs must follow all applicable Tennessee Comptroller guidelines for financial controls and documentation.
- Debit card usage must be auditable, with all statements, receipts, and reconciliations retained for at least four (4) years.
- Regular internal audits or financial reviews should include debit card activity as part of standard oversight.

Reviewed By:
[SSO President Name]
[Date]

Reviewed By:
[SSO Treasure Name]
[Date]

Reviewed By:
[School Principal Name]
[Date]