Craig City School District

P.O. Box 800, Craig, Alaska 99921
www.craigschools.com
Phone (907) 826.3274
FAX (907) 826.3322

Jackie Hanson, Superintendent
Christy House, Elem./MS Principal
Spenser Nelson, HS & PACE Principal

Memorandum
Item 10c

TO: CCSD School Board Members
FROM: Jackie Hanson, Superintendent
DATE: October 22, 2026
SUBJECT: Bank of America Atmos Rewards Business Credit Card

Background

As requested at the October 9, 2026 Board meeting, this memorandum summarizes Bank of America's requirements for establishing an Atmos Rewards Visa Signature Business credit card account for CCSD. Please note, a printed copy of the application highlighting the requirement for a personal Social Security number, along with the applicable Terms and Conditions, is included for the Board's review as well.

Bank Requirements/Terms

The bank representative confirmed that an **individual guarantor is mandatory and must provide their own, personal Social Security Number**. The individual must meet the bank's eligibility requirements, such as qualifying ownership or serving in an eligible role, including the superintendent or president. The representative confirmed that the School Board President would qualify. The guarantor must complete the application online or by phone.

By signing, the individual guarantor would be agreeing to the following:

- **Personal liability:** Both CCSD and the individual, personally, would be liable for charges, fees, and finance charges on all covered cards and accounts, including future additional cards or accounts.
- **Personal financial exposure:** The agreement grants the bank a security interest and right of offset against covered deposit accounts held by both CCSD and the individual, potentially including personal accounts.
- **Personal credit review:** The bank may obtain and exchange the individual's and district's information with credit reporting agencies and others.
- **Additional obligations:** The individual agrees to the Business Card Agreement, confirms application information, and authorizes certain information sharing with bank affiliates.

The representative also indicated that if the guarantor leaves their position, another eligible individual would need to provide their Social Security number and serve as guarantor.

CCSD already has a corporate account number with accumulated Atmos Rewards miles, which would need to be linked to the new card(s). If the cards are used primarily for recurring payments, the proposed users would be CCSD's Business Manager, Melinda Bass and CCSD's Accounts Payable Clerk, Erin Terwilliger.

Important Consideration

I want to be crystal clear, the Terms and Conditions for the Atmos Rewards Visa Signature Business Card explicitly state that both the business entity **and** the individual signer/guarantor, in their personal capacity, will each be liable for all charges, fees, and finance charges on the covered credit cards and accounts. This

means **the individual signer/guarantor is personally responsible for the District's credit card debt**, including charges made by other cardholders. The agreement also grants the bank a security interest and right of offset against the guarantor's personal deposit accounts held at Bank of America or its affiliates to satisfy outstanding debt. In other words, the **individual/guarantor is accepting personal financial responsibility for District expenses they may not have personally made or directly controlled, and their own money may be used to pay the District's outstanding credit card balance.**

Anyone considering serving as the District's guarantor should carefully review and understand these financial and legal obligations before agreeing to serve or signing the application. Plain and simple, this is a personal financial commitment, not simply an administrative responsibility.

Suggested Motion: This agenda item is a discussion item only. No Board action is required at this time.