

<b>ADMINISTRATIVE POLICY NO. 21</b> <b>USE OF CITY Credit card CREDIT CARD</b>
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## **OBJECTIVES**

To state the City of Yachats' policy on business use of VISA credit cards.

## **Policies**

### **General Statement of Policy**

The City of Yachats has obtained Business Credit cards for use by the Mayor and Department Heads. The card is to be used for business related expenses and/or emergency purchases only and is not intended to replace nor is a substitute to the current City Purchasing Policies and Procedures. Cards may be issued to:

- Mayor
- Public Works Director
- City Recorder/Finance Director

### **Purpose and Uses**

1. The purpose of the Business Credit card is to accommodate business related expenses and/or charges and to provide the employee with the convenience of paying for expenses incurred while on official City business attending meetings representing the City, attending conferences or workshops where meals are not provided, and for purchases that are emergency in nature.
2. Only those persons to whom a Business Credit card is issued can authorize purchases using the card.
3. The Credit card may be used to pay for purchases where the City does not have established credit with the vendor, for purchases made online or when it is the most convenient way to purchase. The use of the card for cash advances, cash refunds and purchases that are personal in nature is a violation of this policy.
4. Each Credit card has a credit limit of Three Thousand Dollars (\$3,000).
5. The Credit card cardholders are responsible for, required to and must:
  - a. Ensure that he/she has sufficient budgetary authority to incur the charge and that there is sufficient amount available from his/her department budget to pay for the expenditure.
  - b. Adequately identify and provide the original copy of the charge slip and/or receipts of all purchases/charges as shown on the monthly Credit card statement including the quantity and description of items purchased, if not available, to the City Recorder's Office. All credit card charges that are properly documented and authorized will be paid. Charges will not be processed that do not have the approval of the appropriate department head. It is the cardholder's responsibility to provide adequate documentation and proof of the appropriateness of the charges to their account.
  - c. Secure approval of the Mayor, where necessary.

6. The cardholder must reimburse the City for any unauthorized charges or use of the card within seven (7) days after being notified of the violation.
7. Any disallowed charges (including finance charges) may be deducted from the cardholder's paycheck if deemed necessary.
8. It is the cardholder's responsibility to immediately notify the City Recorder if the card is lost or misplaced so that proper arrangement can be made with the bank to cancel the card.
9. Any violation or non-compliance with this policy may result in the revocation of the employee's right on the use of the Credit card, certain disciplinary action up to and including termination of employment.
10. Whenever an employee to whom a card has been issued leaves city employment the Business Credit card issued to them will be destroyed and the account closed.
11. All charges on the monthly statement will be listed on the City Council's Bills for approval in such a way that the Council can identify the user, purpose and fund charged.
12. The cards will be kept at City Hall unless needed for pre-authorized travel or for making purchases.

CITY OF YACHATS, OREGON

BUSINESS VISA CARD AGREEMENT

I hereby acknowledge receipt of the City's Business Credit card with the following number:

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As a cardholder, I agree to comply with the terms and conditions set forth in this agreement. I hereby acknowledge that I have read and have received a copy of the City's Administrative Policy and Procedure governing the use of City Business Credit card Cards and agree to comply with the provisions on the use of card, documentation requirements and approval requirements. I understand the card should only be used for purchases/charges of business related items and/or for emergency business related purposes only and should not be used in lieu of the current City Purchasing Policies and Procedures.

I further understand that improper use of this card for prohibited expenditures and charges, including cash advances, cash refunds and personal purchases may result in disciplinary action, up to and including termination of employment.

I also agree that I have to reimburse the City for any and all charges made to my Credit card that are in violation of the allowable charges in accordance with this agreement. In the event I fail to reimburse the City within seven (7) days after being notified of the violation, I hereby authorize the City Recorder's Office to deduct the disallowed charges from my salary. I also understand the City may collect such amounts, even if I am no longer employed by the City. I understand and acknowledge that the City may terminate my right to use this card at any time, for any reason and I agree to return the card to the City immediately upon request, change of employment or upon termination of employment.

With my signature below, I hereby acknowledge that I have read and fully understand the provisions contained in this agreement and hereby acknowledge receipt of the Business Credit card.

Cardholder:

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

Print Name: \_\_\_\_\_