

CITY OF BIG LAKE CREDIT CARD POLICY

The City of Big Lake may provide credit cards to employees who frequently travel on city business or otherwise show a business reason for usage of a credit card. Credit cards will not be provided to city employees merely for the personal convenience of the employee. This policy addresses how to obtain a city credit card, procedures to pay credit card bills, and staff usage of city credit cards in the conduct of city business.

Obtaining a City credit card:

A staff member who wishes to obtain a city credit card to use in the conduct of city business shall submit a request to his or her supervisor. The request shall include reasons why the employee wishes to obtain the credit card. All requests must be recommended for approval by the City Administrator, including a recommendation for a credit limit. The City Administrator will forward approved requests to the Finance Director for processing. The approval will include a specific dollar limit.

City credit cards will generally be issued when the following criteria are met:

- The staff member travels frequently on city business; and/or
- The staff member has primary responsibility for purchasing equipment and supplies for his or her department.

Procedure and responsibilities:

- When possible and where convenience is not a primary concern, vendor acceptance of a purchase order or check and/or invoicing the city is preferred over using a city credit card. When the credit card is used, the vendor should be informed that the city is not subject to the state or local sales tax.
- Dependent on individual needs, each staff's credit card shall be subject to dollar limits. Requests for increases in the limit should be submitted to the City Administrator for approval and then to Finance for processing.
- To prevent misuse and unnecessary finance charges, each cardholder is responsible for:
 - reviewing their individual statement for unauthorized usage;
 - providing substantiation for each charge;
 - routing the statement with all original documentation attached to the Finance Department within 5 working days of statement receipt (the turnaround time for credit card payments is short and subject to finance charges on the total balance due); and
 - Where applicable, obtaining the appropriate approvals from those with budget authority.
- Each charge must be evidenced by an original externally generated and itemized receipt or itemized substantiation for an online transaction.
- The cardholder will be responsible for any charges that an external generated and itemized receipt is not attached.

- A credit card purchase must comply with all statutes, rules and city policies. If credits are due, it is the cardholder's responsibility to ensure that they are received. (To avoid finance charges, the full amount of the monthly credit card bill must be paid regardless of credits in process.)
- The cardholder should sign and approve the overall monthly statement that shall constitute his/her approval of each individual charge. The cardholder should indicate the appropriate budget category to which each charge should be coded. When charges relate to more than one person, the purpose of charges and names of attendees should be noted on the statement.
- Use of the city credit card for personal purchases is prohibited.
- No employee is allowed to use a city credit card without obtaining prior permission from the cardholder. When granted, it is the card user's responsibility to submit documentation to the cardholder. Ultimately it is the cardholder's responsibility to obtain documentation for all charges.
- Under no circumstances may cards be used by non-city employees.
- No cash advances are permitted using city credit cards.
- It is the cardholder's responsibility to safeguard the credit card and protect it from theft and unauthorized use. This includes:
 - immediately reporting lost cards or unauthorized use to the credit card company as well as to the Finance Department;
 - promptly destroying expired credit cards;
 - keeping the credit card in a secure location;
 - taking appropriate precautions when using the credit card to make purchases on the Internet and
 - turning in the credit card to the Finance Director upon termination, resignation or termination.
- Improper use of the city's credit card may result in disciplinary action, and cardholders may be held personally responsible for unapproved purchases.
- All credit card purchases are subject to external audit, and brief descriptions of each charge are noted on the accounts payable approval list submitted to the city council after each check run.
- The city reserves the right to cancel an individual's credit card for any reason.

By signing this policy, I acknowledge and accept my stewardship responsibilities for the privilege and convenience of using credit cards under the City's name. I confirm reading and understanding the above procedures and responsibilities.

Signature _____ Date _____

Department _____