

CITY OF SPRINGBORO
ADMINISTRATIVE ORDER – CREDIT CARD POLICY

With the issuance of City credit cards to employees, it is necessary to establish a system of controls and audits. The success of the City's credit card program relies on the professionalism of all personnel and strict adherence to the policy detailed herein:

PURPOSE

To establish procedures designed to control the use of City credit cards assigned to and utilized by City employees for authorized purchases. The procedures are intended to accomplish the following:

1. Ensure that all purchases made with a City credit card are done in accordance with current purchasing procedures established by the Finance Department.
2. Enhance productivity and provide flexibility for authorized purchases.
3. Establish appropriate internal controls ensuring that the credit cards are used only for authorized purposes.
4. Ensure that the City bears no legal liability from inappropriate or fraudulent use of credit cards.

ACCOUNT AND CARD ACQUISITION

The City's Finance Department will be responsible for establishing the credit card account with an authorized financial institution and will also be responsible for the issuance and any necessary re-issuance of credit cards to each designated employee. The Finance Department will monitor the activity on all City credit cards and will reconcile the charges monthly prior to payment.

City Administration, Department Directors and other designated employees as recommended by the Finance Department and approved by the City Manager will be permitted to carry the City credit card at all times. All other employee credit cards will be maintained in the Finance Department and will be distributed for each occurrence of travel, training, or authorized purchase. Once the authorized use of the City credit card has been completed, the employee will return the credit card to the Finance Department for safekeeping. Cardholders are responsible for the security of their City credit card. All precautions shall be used to maintain the confidentiality of the account number and expiration date of the credit card.

USE OF CREDIT CARD

City credit cards are to be used for authorized City purchases including but not limited to travel, training, meeting expenses, supplies, services, organization dues and subscriptions.

Cash advances are strictly prohibited.

The credit card will not be used for personal purchases of any kind. Premeditated use of the credit card for personal purchases with the intention of reimbursing the City at a later date is strictly prohibited. In the event that a City credit card is used for a personal purchase in error, the employee will reimburse the City for the entire purchase amount immediately upon discovery of the error.

When using the credit card, the Cardholder will:

1. Ensure that the purchase(s) are budgeted and allowable.
2. Ensure that a purchase order has been submitted and approved for use of the credit card.
3. Inform the merchant that the purchase is tax exempt. The tax exempt number is 31-6001086. An Ohio Sales Tax Exemption Certificate may be obtained from the Finance Department. Review all receipts to ensure that sales tax has not been charged.
4. Manage any returns or exchanges and ensure that proper credit is received for all returns.

CREDIT LIMITS

City Administration and Department Directors may be assigned credit limits up to \$10,000.00. All other City credit card limits may be assigned up to \$5,000.00. Departmental and individual credit limits will be determined on a case by case basis for anticipated use and need. The credit limit on any City credit card may be temporarily increased at any time as needed with authorization by City Administration and the Finance Department. The Finance Department will be responsible for the temporary increase and subsequent reset of credit limits.

DOCUMENTATION, RECONCILIATION AND PAYMENT PROCEDURES

Cardholders are to adhere to the following procedures. Failure to keep proper receipts or the frequent abuse of these provisions will result in cancellation of the cardholder's credit card.

1. Documentation – the Cardholder is required to obtain a detailed receipt for all charges made on the credit card. The summary receipt of the dollar amount of the purchase only will not be accepted as proper documentation for the purchase.
2. Missing receipts – if a receipt is not able to be obtained or is lost, the Cardholder is required to complete a Lost Receipt Certification Form detailing the purchase, date, purpose, vendor and reason for the missing receipt. The Lost Receipt Certification Form is to be signed by the Cardholder, department director and the Finance Department. Repeated instances of lost receipts may result in revocation of credit card privileges.
3. Receipts & Invoices – receipts and/or invoices must be submitted to the Finance Department with the PO and payment approval on them.
4. Payments will be made by statement. All credit card statements will be received by the Finance Department for reconciliation and payment. Department Directors and Cardholders may request a copy of the statement for their own records.

RETURNED ITEMS


If items purchased with the City credit card are found to be defective, it is the Cardholder's responsibility to return the items to the merchant for replacement or credit. Cash refunds will not be permitted under any circumstances.

LOST OR STOLEN CREDIT CARDS

It is the responsibility of the Cardholder to immediately notify the Finance Department of a lost or stolen credit card. Failure to promptly notify the issuing bank of the theft or loss of a credit card could make the City liable for any fraudulent use of the card and result in the loss of credit card privileges for the Cardholder.

TERMINATION

Upon termination of employment for any reason, the Cardholder must turn in their credit card at the time of separation from the City. The Finance Department will notify the card issuer immediately and the card will be deactivated.



City Manager

5/23/18

Date