

Credit Card Policy



INTRODUCTION

Introduction/Statement of Policy

The purpose of this policy manual is to provide the City of Crest Hill officials and staff with guidelines and directions for the acquisition of goods and services using City issued credit cards; while used with good judgment and common sense, the policies and procedures conveyed herein will allow the City to obtain required supplies and services efficiently and economically.

These policies were reviewed and adopted by the City Council and must be adhered to by City employees and City Officials.

Employees and officials are expected to read and understand these policies and procedures. This policy is designed to be a fluid document and may be modified from time to time to conform to changes in legislation, technology, and actual practice. Although it may not answer every question related to purchasing practices, it does provide general guidelines for the use of City issued credit cards. Employees or officials who need help dealing with specific situations not covered by the manual should contact the City Administrator or Finance Director.

The City Administrator, or the Mayor and City Council in matter affecting the City Administrator, shall be the final authority with regards to enforcement of any of the provisions of these policies.

CODE OF ETHICS FOR USING CITY ISSUED CREDIT CARDS

City Issued Credit Cards Code of Ethics

All City personnel and officials engaged in purchasing and related activities on behalf of the City shall conduct themselves in a manner above reproach in every respect. Transactions relating to the expenditure of public funds require the highest degree of public trust to protect the interests of the City and the residents of Crest Hill. City employees and officials shall strive to ensure that public money is spent efficiently and effectively and in accordance with statutes, regulations, and City policies.

PROCEDURES FOR USING CITY ISSUED CREDIT CARDS

Who is eligible to use corporate credit cards?

The City Administrator, in conjunction with the City Council shall determine which employee(s) or official(s) shall be allowed to use a City of Crest Hill credit card.

Guidelines for Card Use

1. It is the responsibility of each cardholder to be acquainted with the purchasing policies and guidelines of the City and to make card purchases in accordance with these policies. Examples of the types of transactions your Corporate Credit Card could be used for include:
 - Business Travel
 - Seminar Registration

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- Professional Memberships
- Business meeting expenses
- Purchase material and supplies

The above list is by no means complete. It is understood that from time to time, payment by credit card is the most economical way of obtaining goods and services. The original receipt or a City Expense Authorization form for these items must be attached to the monthly credit card statement

The credit limit for anyone card shall coincide with the purchasing restrictions in the purchasing manual for the specific individual or as specifically authorized by the City Council.

2. The City of Crest Hill credit card is not a personal credit card and remains the property of the City of Crest Hill. All outstanding charges on the card are the liability of the City of Crest Hill.
3. Cardholders cannot use the City of Crest Hill corporate credit card for personal purchases with the intent of reimbursing the City of Crest Hill at a later date.
4. The City of Crest Hill corporate credit card that the individual receives has the cardholder's name and account information included on the back of the card. The cardholder may authorize another employee to charge City expenses online, when no other means of obtaining the product or service is available. Authorization by the City Administrator is required prior to using the credit card (See attachment A). Support must be forwarded to the City Administrator immediately following the use.
5. The City of Crest Hill retains the right to cancel the cardholder's corporate credit card. Cards may be revoked for misuse or non-compliance of procedures.

How to Purchase-Cardholder Responsibilities

1. An original receipt must support each purchase prior to processing the monthly statement. The cardholder is responsible for ensuring a receipt or adequate support for the items charged on the City of Crest Hill credit card. When online registration or purchases are made, printouts of the registration or purchase must be retained and attached to the monthly credit card statement. The lack of a receipt or adequate support may require the user to pay for the expense from personal funds.
2. Receipts are to be given to the Finance department as they are incurred so that Finance may match them with the monthly statement when received. The appropriate budgeted line item must be indicated on the receipt.
3. In the rare case where no receipt is obtained, the cardholder must initial the credit card statement next to the charge. In addition, certification that the expenses were incurred in the conduct of City business must be completed and signed. (See exhibit A) The Finance Director or City Administrator will determine if the business expense could be processed. If determined that there is inadequate support, the user will be required to reimburse the City from personal

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funds.

4. For overnight business travel, in addition to supporting the monthly credit card statement, the cardholder still has the obligation to follow the City of Crest Hill's Business Travel Policy, which requires a reconciliation to be completed within one week of travel.

Reconciliation Responsibilities

- The City of Crest Hill receives monthly credit card statements
- Receipts are matched against items on the monthly statement
- If no receipt has been matched to the expenditure, the Finance Department will provide the cardholder with a copy of the statement indicating the expense incurred. Verification of these transactions on the statement is the responsibility of each cardholder.
- If a receipt cannot be obtained after a reasonable effort, the cardholder should write "**No Receipt**" and their initials on the statement next to the item. The City Expense Authorization form (Exhibit A) must be completed and subsequently approved by the City Administrator and Finance Director. This will be allowed on an exception basis only, and continued failure to provide receipts will result in card privileges being revoked.
- The cardholder and the Finance Department are responsible for following up with a vendor on any erroneous charges, disputed items, or returns.
- The Finance Department shall keep a copy of both the front and backside of every credit issued in the City's name. Finance will handle any additions/deletions to the account with the credit card company.

Safekeeping

- It is the responsibility of the employee who holds a City of Crest Hill credit card to maintain the safety and security of that card. Any lost or stolen cards should be reported 1) to the local police where the lost or stolen card was discovered, 2) to the Credit Card Company, and 3) the Finance Department of the City of Crest Hill.
- Any person leaving employment that has a City of Crest Hill credit card shall surrender that card during their exit interview. The Finance Department should be given the surrendered card, and they will contact the Credit Card Company to remove that individual from authorized users.

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CITY OF CREST HILL CREDIT CARD USAGE AUTHORIZATION FORM

This form is to be used:

- 1) Prior to making a purchase when utilizing another cardholder's credit card (i.e. for registering online for a seminar) or
- 2) Authorization to pay from the statement when a receipt is unavailable. (This should be minimally used. Consistent misuse, i.e. no receipt provided, will result in the individual being responsible for the expenditure.)

Date:

Dept requesting:

Vendor where the purchase was made:

Item Purchased:

Method of Purchase (Please Circle): Telephone/ Internet/Other_____

Amount of Purchase:

Account Coding

Signature of Employee

Signature of Department Head

Approved by

City of Crest Hill
Cardholder

Card Number