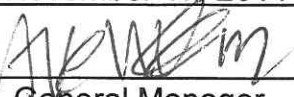


**Mission Springs Water District
Policy and Practice Manual**

**Policy 2011-1
District Credit Cards**

Rescinding Policy No. 95-2

Adopted: November 17, 2011

Approved by: 
General Manager

Policy Summary

Background:

This policy supersedes Policy 95-2. It is to be referenced in conjunction with Policy 2009-2, Expense Reimbursement and Use of Public Resources.

Purpose:

The issuance of credit cards assists the Finance Department in keeping an accurate record of charges incurred by each individual assigned a card.

This system provides management with a check and balance method on budgeting items such as seminars, conferences, travel and training plus individual purchases of necessary District materials and supplies.

These cards are provided as a convenience to those most required to travel and conduct District business.

Procedure:

All cards assigned to directors and specific employees are held and maintained by those individuals with oversight by the District Secretary. Cards not issued to personnel or directors on a standing basis may be signed out by the District Secretary to employees on an "as needed" basis for travel or administrative purchases. Cards will be returned to the District Secretary immediately after the assignment is completed. The District Secretary shall keep the credit cards in a secure place.

Lost or stolen cards shall be immediately reported to the card issuer and the District Secretary. Unauthorized charges shall be reported to the District Secretary who, in turn, shall make appropriate notification.

Provisions:

1. Limitation of policy: No provision of this Policy shall (a) limit the applicability of any legal authority requiring competitive bidding, or (b) allow any MSWD employee to use a District credit card in a manner that creates a conflict of interest.

2. Public Resource, No Privacy in Use: An MSWD credit card is a public resource owned by MSWD. No employee shall have any expectation of privacy in documents that relate to the use of an MSWD credit card.
3. Violation of Policy: Within the discretion of MSWD and other lawful authorities, an employee's violation of this policy, shall subject an employee to personnel/disciplinary action up to and including termination, and also to criminal, civil or administrative liability. Each employee using an MSWD credit card shall be accountable per this policy for any violation of same that said employee knew or reasonably should have known would arise from a particular action, omission or purchase.
4. Authorized Employees Only: Only employees serving in the capacities or working in the positions listed in Attachment A may receive an MSWD credit card.
5. Card limits: No MSWD employee shall use a credit card to pay costs and expenses in an amount exceeding that indicated on Attachment A.
6. District Business Only: Employees shall only use an MSWD credit card in order to accomplish tasks and fulfill responsibilities related to District business. "District business" means activity exclusively limited to the course and scope of an employee's official duties on behalf of MSWD. Activity that fails to specifically advance a specific MSWD purpose to some degree is not District business.
7. No Personal Purpose: No MSWD employee shall use an MSWD credit card for any personal purpose. "Personal purpose" means any activity, a primary purpose of which is personal enjoyment, private gain or advantage, or any employee endeavor not related to District business. The use of an MSWD credit card for a personal purpose shall not be excused because of an employee's intent or action to reimburse MSWD after such use. Furthermore, except as otherwise required by law, MSWD shall deem personal purpose to include even the incidental and minimal use of an MSWD credit card.
8. Suspected Abuse: Every MSWD employee is encouraged to report to his/her direct supervisor any reasonable belief that another employee has engaged in conduct representing a violation of this policy. In the event that an employee reasonably believes that the General Manager has violated this policy, that employee is encouraged to report the conduct in question to the President of the Board of Directors.
9. Prohibited Purchases: The MSWD credit card shall not be used to purchase, make payment for, or otherwise acquire any item as listed in Policy 2009-2 or any other item prohibited by an MSWD department's restrictions.
10. Administration:
 - a. Expense reports including credit card transactions must be filed as outlined in MSWD's Policy 2009-2, Expense Reimbursement and Use of Public Resources.
 - b. Each employee holding a credit card must sign a Cardholder Acknowledgement and Responsibility Form.
 - c. Every credit card purchase shall be supported by a credit card receipt. Credit card accounts are to be maintained in a manner that facilitates a clear audit trail.
 - d. Departments will not split purchases to circumvent a cardholder's purchase limits.
 - e. Cardholders will not split transactions to avoid competitive bidding limits or purchasing authority limits.