

**CITY OF SULTAN
RESOLUTION 17-10**

**A RESOLUTION OF THE CITY OF SULTAN WASHINGTON
ESTABLISHING CITY CREDIT CARD POLICIES**

WHEREAS, it is beneficial for the City of Sultan to have written and adopted City credit card policies; now therefore,

BE IT REOLVED BY THE CITY COUNCIL OF THE CITY OF SULTAN WASHINGTON AS FOLLOWS:

The City Council hereby establishes and adopts City credit card policies which are attached hereto as Exhibit A and incorporated herein by this reference.

Passed by the City Council this 13th day of July 2017.



Carolyn Eslick, Mayor

Attest:



Laura J. Koenig, City Clerk

**CITY OF SULTAN
POLICY AND PROCEDURE**

TITLE: FINANCIAL POLICY SUBJECT: CREDIT CARD USE POLICY
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EFFECTIVE DATE: July 13, 2017	ADOPTED DATE: July 13, 2017
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1.0 PURPOSE:

To authorize the City's Policy on the use of City credit cards to transact official City business.

2.0 DEPARTMENTS EFFECTED:

Mayor, Council, City Administrator, Department Heads and employees

3.0 REFERENCES:

Ordinance 1271.17, Resolution 17-10 and RCW 43.09.2855

4.0 POLICY:

A. The City Council has authorized the City Administrator and Finance Director to implement procedures for the use of City credit cards for the following uses:

- **Travel:** Credit cards may be used by the above assigned individuals (section 2) for official business – related expenditures for hotel, parking, ferry, taxi, meals, gas, airline tickets, emergency city vehicle repairs and other travel related expenses as authorized by the Mayor or City Administrator. In addition the travel liaison may use the City credit card for conference and class registrations only if payment by checks is not feasible. Out of state travel and out of state registration require the Mayor's pre-approval.
- **Purchases:** The assigned credit cards may be used for ordering supplies, including on line purchases, under \$1,000 for City purposes, when pre-approved by the Department Head.
- **Purchases** where an open charge account exists may be utilized for convenience at the time of purchase with the approval of the Finance Director.
- **Credit Limit:** The credit limit for each assigned City credit card shall be \$5,000.
- City credit cards shall not be used for cash advances or personal purchases.

B. Credit Cards may be issued to Departments as follows:

Council:	Council members
Administration:	Mayor, City Administrator
Finance:	Finance, Legal, Grants
Community Development:	Planning, Building, Code Enforcement

Public Works: Parks, Streets, Cemetery, Water, Sewer, Garbage and storm

- C. The City has the following credit cards:
1. Visa Cards for each Department (10 total cards)
 2. Staples Credit Card
 3. Lowes Credit Card
 4. Costco Credit Card
 5. Office Depot Credit Card

5.0 PROCEDURES

- A. Authorization: Payment of all credit card expenditures is contingent upon the Finance department's approval of the monthly statement of transactions. If expenditure is deemed inappropriate, the assigned credit card holder will be responsible for reimbursing the City.
- B. Receipts/Verification:
1. Receipts **must be obtained** for each credit card transaction.
 2. The purpose of the charge and the name of the individual(s) involved must be clearly written on the receipt. Meal receipts must note who ate and the purpose of the meeting.
 3. Receipts or purchase verification for on-line charges are to be saved and retained by the assigned individual or designee.
- C. Each assigned department will verify the transaction prior to entry into the finance accounts payable program.
1. A completed purchase order and attached detailed corresponding credit card receipts are required.
- D. The Finance Department will:
1. Verify all credit card expenditures against the monthly transaction summary
 2. Notify the Department Head of missing receipts within 5 days of receiving the monthly statement.

6.0. CONTROL:

- A. The assigned department is responsible for contacting the vendor when supplies purchased with the credit card are not acceptable (incorrect order, damaged, etc.) and for arranging a return for credit or exchange.
- B. The Finance Director is responsible for administration of the cards to include, but not limited to, selection of the card provider, payment of credit card bills, managing the issuance of cards and ensuring proper use.

The City Administrator will disallow the use of the assigned City credit card for violation or misuse of the credit care in accordance with this policy. The following will be considered an unauthorized purchase or use of any City purchasing/credit card:

1. Cash advances
2. Payment of invoices or statements
3. Purchases where an open charge account would be utilized
4. Personal purchases of any kind

- C. Any exceptions to this policy must be approved in writing in advance by the City Administrator
- D. Assigned individuals will sign a Credit Card User Agreement (Attachment A) before they are eligible to use the card.
- E. Credit cards checked out by Council and staff must be returned with 48 hours of returning from a meeting or conference.
- F. Credit cards checked out to the City Administrator and Department Heads are to be returned to the City immediately upon ending employment with the City.
- G. Misuse of a city credit card may result in disciplinary action or termination or legal action
- H. Failure to provide detailed documentation as required by the policy will result in the user being responsible for the charge.

CREDIT CARD USER AGREEMENT

I, _____, as an employee of the City of Sultan accept personal responsibility for the safeguard and proper use of the City credit card # _____ which has been assigned to me for use in the performance of my job, in accordance with the terms outlined below.

Credit cards are to be used solely for travel related business expenses (within and outside the city), and conference/class registrations incurred by the assigned individual only.

Credit cards may be used for purchasing department supplies up to \$_____ only if prior approved by the assigned card holder's Department Head.

I have read and understand the credit card policies and procedures as set out in Ordinance 12771-17 and Resolution 17-10– Credit Card Use Policy and Resolution 12-02– Travel Policy.

I understand the City Administrator will disallow my use of a City credit card for violation or misuse of the credit card and/or credit card policies and procedures and that such violation or misuse may subject me to discipline, including termination, under the City's Personnel Policies.

I understand that each time I use, or authorize the use thereof, that I am adhering to the following statement:

"I hereby certify under penalty of perjury that this is a true and correct claim for necessary expenditures incurred by me and that no payment has been received by me on account thereof."

I understand that I will be held personally liable for inappropriate charges I incur to the City credit card, and payment for any such inappropriate charges is hereby authorized to be withheld from my paycheck.

The undersigned individual has read and understands the above statements.

Employee

Date