

CITY of ROSE CITY

Credit Card Policy and Procedure

Title

Credit Card Policy and Procedure

Purpose

This policy is adopted in accordance with Public Act 266 of 1995 (being MCLA § 129.243) which requires that all municipalities have a written policy when authorizing the use of credit cards to purchase goods and services for the official business of the municipality.

Issuance of Credit Cards

Credit cards may only be issued to and/or used by the City Clerk, Chief of Police, DPW Supervisor or DPW employees authorized and permitted by said Supervisor.

Guidelines and Restrictions on Credit Card Use

The following guidelines and restrictions shall be adhered to with respect to the use of any City credit card:

1. The use of credit card for City business shall be honored by any vendor or merchant who accepts said credit card.
2. Any credit card shall have an authorized maximum spending limit of \$1,000.00, or such other limit that may be expressly authorized by the City Council from time to time pursuant to Resolution.
3. The credit card shall be used for the purchase of goods and services that are for and only for the official business of the City of Rose City, and only when the normal accounts payable procedure cannot be reasonably utilized. Without limitation, such purchases may include petroleum, lodging and similar travel related expenses, conference and seminar registration fees and the like.
4. Under no circumstances shall any City credit card be used for cash advances or other personal items or uses.
5. Credit card transactions may be performed in person, over the telephone, online or through the mail.
6. All receipts and credit card slips must be retained, accounted for and provided to the authorized employee's immediate supervisor in accordance with the procedure established by the Clerk. Department heads shall review and approve all credit card

invoices before the same are submitted to the Clerk for review and presentment to the Council for payment.

7. All vendors and merchants shall be notified that the credit card transaction is tax exempt for goods and services purchased in the State of Michigan. Any written letter certifying the City's tax exempt status shall be on a form approved by the City Council.
8. Any individual to whom a City credit card is issued shall surrender the card to the City Clerk immediately upon termination or suspension of employment with the City.
9. The credit card should always be treated and used with a level of care reasonably necessary to maintain the security of the card and its associated account information. Without limitation, the card should be maintained in an accessible but secure location; the number should be guarded carefully, and should never be released to anyone except the vendor/merchant with whom City business is being transacted. If the card is lost or stolen, a report of same shall immediately be made to the employee's immediate supervisor and the City Clerk, and should detail the identity of the card in question, the date, time and location of its loss (or the best approximation thereof); the issuer of the card shall be immediately notified thereafter.
10. Subject to any lawful dispute as to the claimed transactions and/or balance owed, the balance due on any credit card shall be paid no later than sixty (60) days after the initial statement/invoice date.
11. Any employee of the City of Rose City who uses or attempts to use any City credit card contrary to law and/or the provisions of this policy shall be subject to disciplinary action, up to and including discharge, as well as potential civil or criminal action.

The foregoing policy and procedure was adopted on the ____ day of _____, 2007, upon Motion made by _____ and seconded by _____.

Ayes:

Nays: