



SUBJECT: CREDIT CARDS

GOAL: To set guidelines and outline expectations for the use of District credit cards.

PURPOSE: To provide an efficient method to pay for business-related travel expenses and for the purchase of goods and services when the use of the department's purchasing system is not possible or practical.

SCOPE: All department personnel collectively referred to herein as *employee*.

DEFINITION: *Finance* – the Finance Manager or his/her designee.

PROCEDURE: Distribution

Individually assigned credit cards may be issued to those employees who, in the opinion of the Fire Chief, have job responsibilities which would benefit or otherwise be facilitated by the use of a credit card. Credit cards may also be issued on a temporary basis to those employees assigned to perform a specific errand or function or for travel specifically related to training or other authorized department business.

Management

Finance will manage the department's credit card program.

Approved Use

Credit cards shall only be used for purchases where an existing house charge account is unavailable or impractical, for travel and lodging expenses, or in the event of an emergency situation. Examples of eligible purchases:

1. Fuel - purchases are limited to District-owned vehicles and equipment;
2. Educational course registrations;
3. Organizational membership dues;
4. District related travel and/or education related expenses such as airfare, lodging, meals, car rental, ground transportation, and miscellaneous travel expenses;
5. Approved expenses where normal purchasing procedures are impractical;
6. Other items specifically authorized by the Chief or his/her designee.



Where meals are charged for anyone other than for the cardholder, a list of those personnel must be included with the transaction documentation. Authorized meals are limited to IRS per diem per meal, per person. The procedures outlined in ***Purchasing SOG 514.10.01*** shall be followed.

Restrictions

District credit cards may not be used for cash advances, personal use, purchase of alcoholic beverages, or any expense not otherwise allowed by law or under department policy.

Limits

The credit limit on each card issued shall not exceed \$3,000 unless a higher limit is approved by the Chief or his/her designee. Personnel who anticipate exceeding this limit at any time within a 45 day period must have prior authorization. Accounts exceeding their limit may be subject to a \$39 over-limit fee.

Reporting Charges

Within three (3) business days of purchase or return from travel the cardholder shall submit detailed transactional evidence to support all charges to the Finance department. Original receipts are preferred. Online purchases also require transactional documentation. **ALL** documentation shall include the following information:

1. Vendor name;
2. Detail of items or services charged;
3. Total amount of charge including applicable tax and shipping charges;
4. Explanation outlining the purpose of the charge(s) and what station/apparatus/equipment/person it was for;
5. Expense account code(s) for the charge(s);
6. **Signature of the card holder and/or the person responsible for the charge.**

Detailed documentation shall be provided for each charge. In the rare event that original documentation is lost or irretrievable; the card holder shall provide a letter of explanation of the charge(s) to include all required information listed above. Charges for meals must also include a detailed list of those persons whose meals were covered. Undocumented charges may be denied and become the responsibility of the employee.



Payment of Charges

Charges are billed to and paid directly by the department. District credit card accounts shall be paid in full each month through the customary warrant transmittal process. Payment shall be processed in a timely manner to avoid late penalties and finance charges. Monthly statements will be reconciled by Finance, which may request the employee's assistance in contacting the supplier to resolve any discrepancies or disputed charges.

Card Renewal

Cards shall be exchanged in advance of the expiration date. Old cards shall be destroyed by Finance at the time the replacement card is exchanged for the expiring card.

Lost or Stolen Cards

Personnel shall immediately notify the issuing bank and/or Finance in the event a credit card is lost or stolen. Contact information for the issuing financial institution will be made available to personnel holding a department credit card.

Account Cancellation

The department reserves the right to change credit card companies, terms of use, or to cancel a cardholder's account at any time. Cardholders will be promptly notified of such changes in writing (including email). Upon termination of employment, the cardholder's account will be immediately cancelled. Cancelled credit cards must be returned to the Finance department for destruction within three (3) business days of the employee's termination.

Unauthorized Use

Credit cards are provided to department employees based on their need to purchase goods and limited services related to department business. Card use may be revoked at any time based on change of assignment or misuse. The card is not an entitlement nor reflective of title or position. The card is for business related purchases only; personal charges are not to be made to the card under any circumstances. The cardholder is the only person entitled to use the card and is responsible for all charges made against the card while in their possession. Improper use of the card can be considered misappropriation of department funds, which may result in disciplinary action, up to and including termination.