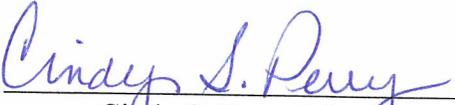


A RESOLUTION APPROVING THE CREDIT CARD POLICY

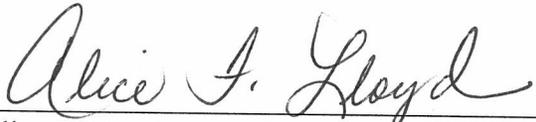
WHEREAS, the Town of Pittsboro needed a Credit Card Policy to provide guidance and clarification around best practices for credit card use; and

WHEREAS, the Town of Pittsboro recognizes that policies promote long-term stability by establishing clear and consistent guidelines; provides the Board of Commissioners and the Town's professional management a standard for best practices; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Town of Pittsboro that the Credit Card Policy is hereby accepted, adopted and placed on file with the Town Clerk.



Cindy S. Perry, Mayor



Alice F. Lloyd, CMC, NCCMC, Town Clerk



TOWN OF PITTSBORO

Credit Card Policy

PURPOSE:

This policy is established to ensure that public funds are used only for a public purpose. Anyone violating the policy for credit card use shall be personally liable for the amount charged and future card use may be disallowed. All charges to the Town's credit cards should be incurred only in the cardholder's official capacity and for authorized public purposes. The use of credit cards for Town financial transactions is limited and carefully controlled. The procedures are established by the finance department to provide fair, accurate, and reliable reporting of credit card transactions. This procedure applies to all credit cards, gas cards or purchase cards that are issued in the name of the Town of Pittsboro.

AUTHORIZATION:

The Finance Director or the Town Manager must approve all requests for credit cards.

If it is determined that a credit card's use is not in the best interest of the Town of Pittsboro, the Finance Director or the Town Manager may discontinue credit card privileges.

ELIGIBILITY:

The Town Manager, Department Head or designated staff employee may be issued a Town credit card after completing the New Cardholder Enrollment Form with appropriate signatures.

Any credit card user must agree to comply with all statutes, rules or Town policies applicable to Town purchases. Specifically, the Purchasing Protocol and the Travel Policy.

Any credit card applicant must sign the Town of Pittsboro Credit Card Agreement (Appendix B).

CARDHOLDER RESPONSIBILITIES:

The cardholder must use the credit card for official business purpose only. Misuse of the credit card may subject the cardholder to disciplinary action and/or termination of employment. The cardholder must:

- Ensure the credit card is used for legitimate business purposes only.
- Maintain the credit card in a secure location at all times.
- Not allow other individuals to use their credit card.
- The Cardholder may make purchases on behalf of others within the department, but the Cardholder is held accountable for all transactions associated with his/her card.
- Adhere to the purchase limits and restrictions of the bank card.

- Ensure the total transaction amount of any single transaction does not exceed the approved individual transaction limit.
- Ensure that sales tax is included on all taxable purchases from suppliers located in North Carolina.
- Obtain purchase documentation for all purchase transactions (original invoice or fax copy in the case of a telephone order, charge slip, itemized sales receipt or printout of online order confirmation).
- The cardholder will complete the Business Card Reconciliation Form (Appendix C) and attach to the statement with all applicable receipts. The Department Head will review and sign and forward to the Finance Department, **on or before the 10th of each month**, for processing of the statement. Failure to do so could result in the loss of card privileges.
- Attempt to resolve disputes or billing errors directly with the supplier and notify the finance department if the dispute or billing error is not satisfactorily resolved.
- Ensure that an appropriate credit for the reported disputed item or billing error appears on a subsequent cardholder statement.
- Not accept cash or store credits in lieu of a credit to the credit card account.
- Immediately report a lost or stolen card to the finance director or to the credit card company directly if the finance director cannot be reached.
 - 1-919-542-4621 ext. 61 – Finance Director
 - 1-800-397-1253 – BB&T
- Return the credit card to the Finance Director if requested to do so for any reason, upon terminating employment with the Town of Pittsboro, or transferring to another department within the Town.

PROCEDURES:

- The Department Head will be responsible for approval of any or all personnel within his or her department that may make official Town purchases from a vendor.
- The Department Head will determine the purchase authority of his or her Employee and sign the enrollment form (Appendix A) indicating approval.
- The Finance Department will review the enrollment form, submit to the Town Manager for approval, and process for issuance of the credit card to the employee
- Employees given authorization must sign the cardholder agreement (Appendix B) which outlines the proper uses for the credit card.
- The Finance Department must be notified by the designee of a cardholder's separation from the Town's employment to facilitate cancellation of that account, and the card must be destroyed if it bears the employee's name.

AUTHORIZED USES*:

- The items and/or services to be purchased are for official use of the Town of Pittsboro
- Conference attendance

*The lists of authorized uses and unauthorized uses are not exhaustive. The guiding principle is to determine whether the expenditure is necessary for the authorized user to carry out his/her duties to the Town. Government employees and elected officials are responsible to the taxpayer for their expenditures.

Created: May 27, 2016

Adopted: June 13, 2016

- Pay for lodging when attending approved conferences
- Meals when traveling on Town business (only as outlined in the Travel Policy)
- Pay for all approved Town purchases. All purchases must comply with the Town's Purchasing Protocol, including the requirement to request a purchase order for purchases and non-contracted services of more than \$500 prior to actual purchase.

UNAUTHORIZED USES*:

- Personal use
- Cash advances
- Alcoholic Beverages
- Any non-town purpose
- Gasoline for any personal vehicle – (travel is reimbursed at the current mileage rate)
- Gasoline for town vehicle – (should be purchased using gas card for specific vehicle)
- Services covered under an existing formal contract
- Cash advances, gift cards, money orders, wire transfers, package stores, and entertainment expenses.

GAS CARD PURCHASES ONLY:

- Each town vehicle will have a gas card assigned to it – with the vehicle description on the card. The card should stay in the assigned vehicle at all times.
- The gas cards should only be used for the vehicle they are assigned too.
- If a gas card is lost, damaged or not working notify the Finance Director.
- Receipts for all gas purchases should be retained, marked with initials or name of person who purchased the gas and returned to the Finance Department to be matched with the gas card statement.

ATTACHMENTS:

New Cardholder Enrollment Form (Appendix A)

Credit Card Agreement (Appendix B)

Business Card Reconciliation Form (Appendix C)

RELATED POLICIES:

- Purchasing Policy
- Travel Policy

*The lists of authorized uses and unauthorized uses are not exhaustive. The guiding principle is to determine whether the expenditure is necessary for the authorized user to carry out his/her duties to the Town. Government employees and elected officials are responsible to the taxpayer for their expenditures.

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TOWN OF PITTSBORO

CARDHOLDER AGREEMENT



Cardholder's Name: _____

Card Account Number: _____

I understand that I am being entrusted with access to the Town's business credit card to make financial commitments on behalf of the Town, and will restrict my purchases to approved Town of Pittsboro activities.

I understand that under no circumstances will I use the Town's business credit card to make personal purchases for myself or for others.

I will not permit another person to use the Town of Pittsboro business credit card issued in my name. Any such purchases made with my card will be considered to be made by me and my responsibility.

I will be responsible for the safekeeping of the Town of Pittsboro business credit card issued to me and, if lost or stolen, I will report its loss immediately to the Finance Director or directly to the credit card issuer.

I understand that my personal credit will not be affected by any use of the Town of Pittsboro business credit card.

I understand that in the event of termination of my employment with the Town of Pittsboro, my final paycheck will be retained subject to the return of the Town's Credit Card and any outstanding receipts to my Department Head.

I will follow the established policy for using the Town of Pittsboro business credit card. Failure to do so may either result in revocation of my use privileges or other disciplinary actions by the Town of Pittsboro.

I have read and understand the Credit Card Policy.

I agree that should I violate the terms of the Agreement and use the Town of Pittsboro business credit card for personal use or gain that I will reimburse the Town of Pittsboro for all incurred charges and any fees (including attorneys' fees and expenses) related to the collections of the charges.

The use of the Town of Pittsboro business credit card to acquire or purchase goods and services for anything other than the official use of the Town of Pittsboro is fraudulent use. An employee guilty of fraudulent use may be subject to disciplinary action, up to and including dismissal.

I have read, understand and agree to the conditions above:

Sign: _____

Date: _____

Created: May 27, 2016

Adopted: June 13, 2016



TOWN OF PITTSBORO

NEW CARDHOLDER ENROLLMENT FORM

EMPLOYEE'S ORGANIZATIONAL INFORMATION

Company Name: Town of Pittsboro
Address: Finance Department
635 East Street
P.O. Box 759
Pittsboro, NC 27312

Contact Person: Heather Meacham
Finance Director
919-542-4621 Ext. 61

EMPLOYEE/CARDHOLDER INFORMATION

Name: _____

Department: _____

CARD LIMITS:

Daily: \$ _____

Monthly: \$ _____

Per Transactions: \$ _____

APPROVALS:

Department Head: _____

Finance Department: _____

Town Manager: _____