

**POLICY 2115 Credit Card Policy**

EFFECTIVE DATE	6/27/2023	VERSION # 2
DATE OF LAST REVISION	3/21/20237/5/2023	NEXT REVIEW DATE 4/1/2025

APPLIES TO

Division	Districtwide
Sub-Division	Finance Department

VERSION	REVISION DATE	DESCRIPTION OF CHANGE/SUPERSEDE	AUTHOR
1	3/21/2013	Initial	Finance Manager
2	7/5/2023	Updated to supersede previous version	Angie Carpenter, Finance Manager

RATIONALE

It is the policy of the District, to provide guidance regarding the internal controls for management of District credit cards. This policy applies to all individuals who are authorized to use District credit cards and/or who are responsible for managing credit card accounts and/or paying credit card bills.

PROCEDURE

A credit card may only be issued to a staff member whose function and duties would be enhanced by having a District credit card. Credit cards will be issued only to employees who have been approved by the General Manager. Credit cards shall not be issued or used by members of the Board of Directors. Directors will use their personal credit cards for lawful expenses of the District and seek reimbursement on a form provided by the District.

1. Only the authorized signatory can use the credit card. No more than one credit card shall be issued per cardholder. Credit limits, as appropriate, shall be set for each credit card by the General Manager.
2. All credit card bills shall be paid in a timely manner to avoid late fees and finance charges.
3. All credit card expenses shall be reasonable and necessary for the furtherance of District business and made in accordance with District policy. No personal expenses shall be charged on a District credit card. If a transaction involves both personal and District business, or if there were accidental personal charges, the employee shall reimburse the District for the appropriate portion of the expense.
4. All credit card transactions shall have vendor-provided receipts and the District purpose annotated by the cardholder.

2115

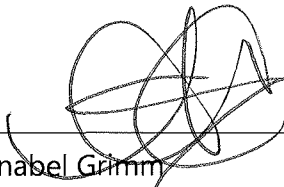
5. All records of the District involving credit card use, including receipts, invoices, and requests for reimbursement, are disclosable public records to be maintained consistently with the District's records management policy.
6. Cardholders are required to sign the credit card user agreement.
7. The monthly credit card statement is to be reconciled by the end of the month for the month prior and submitted to the appropriate administrator for review.
8. District credit cards cannot be used to receive cash advances, bank checks, traveler's checks, and/or electronic cash transfers.
9. District staff are prohibited from making purchases from sources where there is or could be perceived to be a conflict of interest.
10. The use of the District credit card for "services of a dubious nature" is expressly prohibited. "Services of a dubious nature" are defined as any goods or services that might bring the name of the District into dispute.
11. The finance office will periodically, if not at least annually review the user list and adjust limits as appropriate. Periodic expense testing will be conducted to determine appropriateness.
12. Credit Card Misconduct - Wherever a breach in this policy occurs, the General Manager or designee must assess the nature of the breach, and if significant, immediately suspend the employee's credit card and report the breach to the police for criminal investigations. Depending upon the nature of the breach, the District may take disciplinary action in accordance with the Employee Handbook against an employee. At the next Board Meeting, the General Manager shall report:
 - The investigation of the circumstances of the breach
 - Police report and action (if any)
 - Discrepancy action taken (if any)

Authority: General Manager, Finance Manager

Angie Carpenter
Author (print and sign)



1/5/2023
Date



Annabel Grimm
General Manager

6 Jul 23
Date

Approved by the Board of Directors on: **June 22, 2023**

CREDIT CARD USER AGREEMENT

Organization Name Chico Area Recreation and Park District

Cardholder Name: _____ **Position:** _____

Credit Card #: _____ **Expiration Date:** _____

Your participation in the District Credit Card is a convenience that carries responsibilities. Although the credit card is issued in your name, it should be considered property of Chico Area Recreation and Park District (CARD) and should be used within a prudent professional judgment standard. Your signature below verifies that you understand the credit card policy and guidelines, agree to comply with them, be responsible for the terms and conditions as outlined below, and by company procedures regarding the use of the credit card.

USE

1. The District Credit Card ("the Card") is the property of CARD and is in my possession and under my strict control.
2. I will not permit the credit card to be used by any person other than myself.
3. I will only use the credit card for official District business.
4. I will immediately report any unauthorized use of the credit card to the Bank, the Finance office, and my supervisor.
5. I will not use the credit card to pay for expenses that have already been claimed (or will be claimed) by any form of allowance.
6. I understand the credit card is for District-approved purchases only, and I agree not to charge any personal purchases.
7. The cardholder shall not:
 - Split purchases to avoid the limit.
 - Obtain cash advances through the District credit card.
 - Exceed any maximum limits set by the District.
 - Authorize their own expenditure.
8. Where doubt exists as to whether an item is function-related, prior authorization should be obtained from the Cardholder's manager.
9. Improper use of this credit card can be considered a misappropriation of District funds. This may result in disciplinary action up to and including termination of employment.
10. If the credit card is lost or stolen, I will immediately notify the Bank by telephone and the District Finance office. I will file all applicable paperwork and documentation required related to the lost credit card.
11. If by accident the credit card was used for personal expenses, I will notify the Finance office and my supervisor immediately and repay the District.
12. As the credit card is District property, I understand that I may be periodically required to comply with internal control procedures designed to protect District assets. This may include being asked to produce the credit card to validate its existence and account number. I may also be asked to produce receipts and statements to audit its use.
13. I will comply with all District budget policies and procedures including allocations to correct budgetary accounting codes.
14. The monthly business cycle will end on the last business day of each month. All reconciliations with applicable documentation will be approved by the employee's immediate supervisor and submitted to the finance office by the 5th business day following the business cycle. This includes:

2115

- In all cases, obtain and retain sufficient documentation to validate the expenditure.
- Be solely responsible for obtaining copies of lost receipts from the vendor(s).
- Review the monthly statement for inaccuracies and report them to the finance office.
- Verify the goods and services listed were received.

15. I will immediately return my credit card to the Finance office if I resign or retire, or if my services as an employee of the District are otherwise terminated, or if I am instructed to do so by the General Manager.

Cardholder

(Signature)

Date: _____

(Print Name)