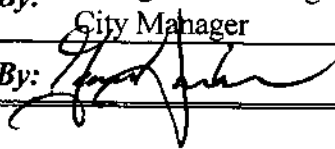




POLICY AND PROCEDURE

<i>Subject:</i> City's Credit Card	<i>Index:</i> Finance <i>Number:</i> 201-8-1
<i>Effective Date:</i> September 1, 2005	<i>Prepared By:</i> George Scarborough, City Manager
<i>Supersedes:</i>	<i>Approved By:</i> 

1.0 PURPOSE:

- * To establish policies and procedures for the use of the City's credit card for expenses incurred in the conduct of approved City business.
- * Improper use of the credit card will be treated as misuse of public funds and may be subject to disciplinary action up to, and including termination.

2.0 ORGANIZATIONS AFFECTED:

City Council/all departments/divisions.

3.0 REFERENCES:

4.0 POLICY:

- 4.1 The City credit card is controlled by the City Manager's office. Usage by other departments is on an as-needed basis and must be approved by the City Manager or Assistant City Manager/FAS Director.
- 4.2 The City's credit card is to be used for **OFFICIAL** City business and **MAY NOT BE USED FOR PERSONAL PURCHASES**. Prohibited uses include:
- * Professional services.
 - * Any product or service normally considered an inappropriate use of City funds.
 - * Cash advances, wire services.
 - * Items for which the City has contracts unless it is an emergency and approved by the City Manager.
 - * Items for resale.

- * Personal items.
- * Betting, casino gaming, or other related activities.
- * Political or religious organizations.
- * Court costs, fines, bail or bonds.
- * Rentals, except for small pieces of equipment to be used for less than a week in duration. Car rental and gasoline purchases for a rental car are acceptable.
- * Telephone services including pagers and calling cards, except for telephone calls charged from lodging.
- * Items that have been identified as requiring special approval (e.g., educational expenses).
- * Alcoholic beverages.
- * Chemicals or other hazardous materials.

5.0 DEFINITIONS:

5.1 The term Executive Management refers to the City's Department Heads.

6.0 PROCEDURES:

6.1 **Authorization to use the City's credit card** must go through the City Manager's office. A "Request to Use the City's Credit Card" form is in Word, under the General tab.

6.2 **The following documentation will be required:**

- * Vendor name and identification.
- * Date of purchase.
- * Estimated amount of total purchase, including sales tax.
- * Brief but specific description of items purchased.
- * Account code for the charge.

6.3 **Upon completion of the transaction:**

- * Retain the sales draft with accompanying receipt/invoice.

- * For Internet orders, print out a copy of order form with the Internet address at the bottom of the form.
- * For mail orders, maintain a copy of the order form.
- * For telephone orders, request a fax confirmation of the order.
- * All receipts of credit card transactions and/or backup documentation of the charge(s) are to be forwarded to the City Manager's office immediately.

6.3 **Procedures to be completed upon receipt of credit card statement**

The City Manager's Executive Secretary is responsible for processing payment of the credit card statement. Process the request for payment immediately as **time is extremely critical in order to avoid finance charges**. The following steps are to be completed upon receipt of the credit card statement.

1. Stamp the received date on the statement.
2. Review statement for accuracy.
3. Balance all sales drafts, logs and order forms to the statement, which will show all transactions made during the billing cycle. All items must be accounted for on the statement with a sales draft, receipt/invoice, or other supporting documentation.
4. If an item has been returned, include the credit voucher.
5. Indicate the appropriate account code for each transaction.
6. Forward the completed Request for Payment, statement and appropriate backup for the charges to the Assistant City Manager/FAS Director, or the City Manager in case of absence, for approval.
7. When signed, make a copy of the Request for Payment, statement and backup and turn in to Accounting for payment.
8. Monthly statement balance will be paid in full in accordance with the billing cycle.

6.4 **Billing errors and returned items**

When there is an error on the credit card statement, the Executive Secretary will notify the department who made the charge. The discrepancy must be resolved within five working days.

6.5 **Lost or stolen card**

IT IS IMPORTANT THAT FIRST BANKCARD BANK SYSTEM BE NOTIFIED OF THE LOSS OR THEFT OF THE CARD IMMEDIATELY. NOTIFY FIRST BANKCARD BANK BY CALLING 1 (800) 819-4249.

6.6 **Emergency purchases**

Exceptions to these guidelines may occur in the case of emergency purchases during natural or other disasters where adherence to the purchasing guidelines is impractical or untimely.

Attachment: "Request to Use City's Credit Card" form



City of San Clemente

Request to Use City's Credit Card

DATE:

TO:

City Manager

FROM:

Name:

Dept/Div:

Date of Charge	Company Name	Item Description	Amount	Account Code

The undersigned, under penalty of perjury, states the above information to be true and correct. If an unauthorized purchase has been made, the undersigned authorizes the City of San Clemente to withhold the appropriate amount from their payroll check after 15 days from the receipt of the credit card statement

Signature: Division Authorization for Expenditure

Date

Signature: City Manager Department Approval

Date

REMINDER: Send a copy of the receipt for the above charge(s) to the City Manager's office as soon as possible.

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