

<b>SECTION:</b> Finance		<b>POLICY #:</b> FIN-008
<b>Date Approved:</b> September 12, 2011		<b>Corporate Credit Card Policy</b>
<b>Revision Date:</b> December 7, 2015	<b>Review Date:</b>	
<b>Authority:</b> Report DCS-24-11; Report DCS-31-15		

## COVERAGE

This policy applies to all Town Employees and Council Members.

## PURPOSE

This policy is designed to ensure Corporate Credit Cards are used appropriately, responsibly, and only for reasonable business expenses where credit cards are deemed a more efficient and cost effective method of purchase and payment of goods and/or services.

## AUTHORITY

Upon approval of the Chief Administrative Officer/Clerk, the Director of Corporate Services/Treasurer will request the issuance of a credit card in the name of the individual from the Town's financial institution.

## POLICY

- Credit Cards will be restricted to Department Heads that have a need for substantial expenditures on a regular basis for the purpose of conducting Town business.
- All credit cards issued will have a predetermined "credit limit" as determined and authorized by the Director of Corporate Services/Treasurer.
- The program will be administered and audited by the Director of Corporate Services/Treasurer or designate.
- Peculiar or abnormal situations with respect to the incurring or reporting of expenditures will be reported immediately by the Director of Corporate Services/Treasurer to the CAO.
- All credit card statements will be approved by the Director of Corporate Services/Treasurer or designate.
- Receipts should be submitted within 10 days in order to ensure that payment due dates are not missed. All receipts must state the purpose of each payment (in the case of meals, a listing of those persons in attendance and the reason for the purchase). This simple record should clarify those anomalies such as retirement gifts, etc.
- The credit card **SHALL NOT** be used for the following:
  - a) personal purchases of any nature;
  - b) long-term lease or rental agreements;
  - c) for goods or services, where the cost of these goods or services, would be significantly increased as a result of using the card and an alternative method of payment is available;
  - d) cash advances;
  - e) any purchase of goods or services that may be prohibited under any other policy approved by Council.

## **CARDHOLDER'S RESPONSIBILITY**

Cardholders will:

- Be held liable for any misuse or willful disregard of policies or operating procedures which result in a loss of money for the town or fraud or collusion. The town may cancel the card at any time at its sole discretion. Abuse of corporate credit cards may result in disciplinary action up to and including termination of employment.
- Comply with this policy for credit cards.
- Ensure the card is secure at all times
- Exercise prudent and discretionary judgment if using the card
- Retain receipts, etc. to complete the monthly reconciliation process and for audit purposes
- Ensure that the card is not used by anyone other than the specific named cardholder, unless otherwise approved by cardholder.
- Notify both the bank and Director of Corporate Services/Treasurer IMMEDIATELY in the event of card loss or theft.
- Immediately return the credit card to the Director of Corporate Services/Treasurer upon termination, retirement or disability from the Town of Hanover.