

City of Bristol, Virginia

CREDIT CARD USE POLICY

1. PURPOSE

To establish policies and procedures that apply to the use of credit cards and merchant cards. These policies and procedures are for the use of cards to:

- Facilitate efficiency of operations
- Facilitate purchases where a card is required
- Facilitate employee travel related to professional development or official city business

The term credit card as used in these procedures and policies shall apply to general purpose credit cards and merchant cards.

2. APPLICATION

The Policy applies to all City employees, City Council members, and Constitutional Officers and their employees.

3. GUIDANCE

3.1. CREDIT CARDS

a. Obtaining Credit Cards

Only the Chief Financial Officer, or designee, is authorized to order credit cards from providers of credit cards. Requests for credit cards shall be made to the Chief Financial Officer. Requests for credit cards shall be in writing and signed by the department head of the department requesting the card(s).

The City credit cards should be kept in a secure location. Cards issued to individual employees are only to be used by that employee. It is the responsibility of the cardholder to immediately report a lost or stolen credit card to the Chief Financial Officer.

Credit card transactions shall comply with the City's purchasing guidelines, City Code and all applicable state and federal regulations.

Credit cards shall bear the name of the City of Bristol, Virginia and the name of the person responsible/or department (cardholder). Any employee issued a credit card under these procedures and policies shall sign the Credit Card Acceptance Form/Receipt . The employee shall also agree in writing to allow the City to withhold and deduct amounts owed the City by the employee, including the authorization to deduct from the employee's pay, amounts owed the City by the employee due to improper, disallowed or unauthorized charges, penalty and interest incurred thereon. Disallowed transactions include, but are not limited to transactions for which proper documentation is not provided. This section shall not apply to charges made by others who have unauthorized possession of the card or card number. Fraudulent use by an employee or anyone whom the employee allowed to use a credit card or card number may be cause for termination of employment for the employees involved in the fraudulent use.

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The Chief Financial Officer, or designee, may suspend or cancel any credit card due to: failure of a card holder or department to comply with these procedures and policies, misuse of a card, failure to provide or habitually late in providing documentation or completing required accounting information; failure to reimburse the City for disallowed charges; failure to maintain proper custody of the card; or other uses of a card which the Chief Financial Officer deems not in the best interest of the City.

3.2. USE OF CREDIT CARDS

a. Credit cards may be used for:

- Expenses authorized by the travel policy, with department head approval. When credit cards are used for meal or other travel expenses which are not authorized by the travel policy or exceed reimbursement limits of the travel policy, such amount(s) shall be paid by the cardholder within 3 business days of return from the travel or notification by the City of disallowed charges.
 - Purchase of goods and services
 - On-line purchases when such purchase is advantageous to the overall efforts of the City
- Employees using credit cards shall ensure that purchases comply with all applicable laws, rules, regulations and purchasing policies

b. Credit cards may not be used for:

- Cash advances
- Personal purchases
- Purchases for any non-official City of Bristol, Virginia purpose
- Travel expenses for individuals not covered by the travel policy, even if it is the intent to reimburse the City
- Purchase of alcohol
- Purchases which are in violation of any law or regulation
- Purchases of gift cards, unless approved prior to purchase by the City Manager
- Purchases of Capital Equipment
- Fuel for privately owned vehicles

3.3. MERCHANT CARDS

Merchant cards shall be obtained only by the Finance Department upon approval of the Chief Financial Officer. The Finance Department shall establish procedures for the use of merchant cards. Merchant cards shall be issued in the name of the City.

Merchant cards may be used for purchases and payment of services only from the vendor issuing the merchant card.

The employee shall also agree in writing to allow the City to withhold and deduct amounts owed the City by the employee, including the authorization to deduct from the employee's pay, amounts owed the City by the employee due to improper, disallowed or unauthorized

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charges, penalty and interest incurred thereon while the card was provided to the employee and not in the possession of the department custodian. Disallowed transactions include, but are not limited to transactions for which proper documentation is not provided. This section shall not apply to charges made by others who have unauthorized possession of the card.

3.4. RESPONSIBILITY OF DEPARTMENTS AND USERS OF CREDIT CARDS/MERCHANT CARDS

All transactions shall be documented by receipts, which provide details of the transaction and in a form acceptable to the Chief Financial Officer. Any transaction not properly documented shall be deemed disallowed and be subject to the rules applied to disallowed charges and/or transactions.

Department Heads shall be responsible for ensuring card usage by employees of their department and compliance with all applicable laws, rules, regulations and these procedures and policies. Department Heads shall establish responsibility, control and ensure appropriate records are maintained.

Department Heads (or designee) shall approve each card transaction. The Department Head, or designee, shall ensure timely submittal of required documentation by employees of their department. This includes the submittal of receipts and the purchase requisition or travel expense form.

3.5. DISALLOWED AND IMPROPER CHARGES/TRANSACTIONS

If improper charges/transactions are not repaid before the credit card billing is due and payable, the City shall have a prior lien against and a right to withhold any and all funds payable, or to become payable to the cardholder up to the amount of disallowed charges/transactions, penalty, and interest at the rate charged by the issuer of the credit card. Misuse of the city credit card may result in disciplinary action, termination, and/or legal action.

3.6. REBATES, GIFTS, ETC.

Rebates, gifts, awards and other gratuities received related to a City credit card or use thereof, shall be the property of the City of Bristol, Virginia. Such items shall be used for the business needs of the City. Such benefits shall not accrue to benefit the cardholder.

3.7. FINANCE DEPARTMENT

The Finance Department will verify all credit card expenditures against the monthly billing detail. The Finance Department will notify the Department Head and Chief Financial Officer of missing receipts within 5 days of receiving the monthly statement.

3.8. AMENDMENTS TO THE PROCEDURES AND POLICIES

The Chief Financial Officer may amend these procedures and policies as needed to insure the proper use and control of credit cards.

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CITY OF BRISTOL, VIRGINIA CREDIT CARD USER AGREEMENT

I, _____, as an employee of the City of Bristol, Virginia accept personal responsibility for the safeguard and proper use of the City credit card # _____ which has been assigned to me for use in the performance of my job, in accordance with the terms outlined below.

Credit cards are to be used solely for travel related business expenses (within and outside the city), and conference/class registrations incurred by the assigned individual only.

Credit cards may be used for purchasing department supplies or necessary department items only if approved beforehand by the assigned card holder's Supervisor or the Department Head responsible for the card.

I have read and understand the credit card policies and procedures as set out in the Credit Card Use Policy and Travel Policy.

I understand the Chief Financial Officer will disallow my use of a City credit card for violation or misuse of the credit card and/or credit card policies and procedures and that such violation or misuse may subject me to discipline, including termination, under the City's Personnel Policies.

I understand that each time I use, or authorize the use thereof, that I am adhering to the following statement:

"I hereby certify under penalty of perjury that this is a true and correct claim for necessary expenditures incurred by me and that no payment has been received by me on account thereof."

I understand that I will be held personally liable for inappropriate charges I incur to the City credit card, and payment for any such inappropriate charges is hereby authorized to be withheld from my paycheck.

The undersigned individual has read and understands the above statements.

Employee: _____ Date: _____