

TOWN OF STRATFORD POLICY

SUBJECT: AUTHORIZATION AND PERMITTED USE OF TOWN CREDIT CARDS	POLICY NO. 23
EFFECTIVE DATE: November 11, 1998	APPROVED BY: Town Council
REVISION DATE:	PAGE 1 OF 5

PURPOSE

The Town recognizes that the use of Town credit cards supports travel costs of Staff and Town Councillors and the operation of the Recreation Office for small dollar transactions and where purchase orders are not accepted or charge accounts are not permitted.

This policy establishes procedures to ensure that all Town credit cards are properly authorized and are used only in accordance with the guidelines contained in this policy.

POLICY

1. Authorization

Town Credit Cards must be authorized by the Chief Administrative Officer where a demonstrated need is warranted. The Chief Administrative Officer will notify the Town's banking establishment authorizing new Town Credit Cards.

2. Acknowledgement and Agreement Form

Cardholders must be willing to sign an acknowledgement and agreement form indicating their understanding of the policy and their agreement to adhere to the guidelines as established.

3. Credit Limits

Each Town Credit Card will be assigned an individual credit limit by the Chief Administrative Officer. The limit will be based on previous purchasing activity. If the credit limit is too low to accommodate the purchasing requirements, a re-evaluation will be conducted by the Chief Administrative Officer and a decision made on whether to increase the credit limit.

4. Permitted Uses

Town of Stratford Credit Cards may be used at any vendor or supplier who accepts the Credit Card throughout Canada or any other country for the following:

- Subscriptions, seminars, books
- Small business luncheons
- Office supplies
- Accommodations and meals when on Town business
- Purchases for special events
- Miscellaneous maintenance expenses
- Transportation (eg. airline tickets)

5. Non-Permitted Uses

Town of Stratford Credit Cards shall not be used for the following:

- Any items exceeding the approved credit limit
- Capital equipment
- Products or services that could be obtained through the procurement policy
- Items for personal use
- Entertainment

6. Record Keeping

All receipts for good and services purchased must be retained. If the purchase is made via phone or mail, the vendor shall be requested to include the receipt with the goods when the product is shipped. This receipt is the only original documentation specifying whether or not tax has been paid against the purchase.

7. Process for Reconciliation

Each cardholder will receive a statement identifying each transaction made against the card during the billing cycle. Statements must be reconciled by the accounts payable clerk against the transaction receipts for accuracy.

The reconciled statement is then to be forwarded to the Chief Administrative Officer for review and approval. Approved statements will then be forwarded to the accounts payable clerk for processing.

If there are errors in the Credit Card statement, it is the responsibility of the Cardholder to have the errors identified and rectified.

8. Lost or Stolen Credit Cards

If a Town Credit Card is lost or stolen, the Cardholder is responsible for advising the Chief Administrative Officer who will then contact the Town's banking establishment.

9. Credit Card Audits

Town Credit Card usage shall be audited at least on an annual basis.

10. Security of Town Credit Cards

The cardholder is responsible for the security of their Town credit card and the transactions made with the card. The Town Credit Card is the property of The Town of Stratford and is only to be used for Town of Stratford purchases as defined in this document.

11. Cancellation of Credit Card

Town Credit Cards shall be cancelled:

- a) when not used in compliance with the guidelines established in this policy
- b) If job duties change or employment is terminated, whether for retirement, voluntary or involuntary reasons.

TOWN OF STRATFORD CARDHOLDERS ACKNOWLEDGEMENT AND AGREEMENT

Your signature below is verification that you have read the policy and agree to comply with it as well as the following responsibilities:

- I understand the card is for Town-approved purchases only, and I agree not to charge personal purchases. Improper use of this card can be considered misappropriation of Town funds. This may result in disciplinary action including termination of employment.
- If the card is lost or stolen, I will immediately notify the Chief Administrative Officer.
- I agree to surrender the credit card immediately upon termination of employment, whether for retirement, voluntary or involuntary reasons.
- The card is issued in my name. I will not allow any other person to use the card. I am considered responsible for any and all charges against the card.
- I understand that in the event of willful or negligent default of these obligations, The Town of Stratford shall take recovery action, deemed appropriate, as permitted by law.
- All charges will be billed directly to and paid directly by the Town. The bank cannot accept any monies from me directly, therefore any personal charges billed to the Town could be considered misappropriation of funds.
- As the card is Town property, I understand that I may be periodically required to comply with internal control procedures designed to protect Town assets. This may include being asked to produce the card to validate its existence.
- I understand the card has been issued to me as an official of the Town of Stratford. I will under no circumstances be personally liable to the card company for any obligations arising from the approved use of the card.
- I will receive a Monthly Reconciliation Statement, which will report all activity during the statement period. I am responsible for all charges (but not for payment) on the card, I will resolve any discrepancies by either contacting the supplier, the bank or the Chief Administrative Officer.

**TOWN OF STRATFORD
CARDHOLDERS ACKNOWLEDGEMENT AND AGREEMENT
PAGE TWO**

- I will provide the accounting department the proper General Ledger account breakdown for all transactions processed against this card.

- I understand the Credit Card assignment is based on my need to purchase materials for the Town. My card may be revoked based on change of assignment or location. I understand that the card is not an entitlement nor reflective of title or position.

- I acknowledge I must follow the policies and procedures related to the use of Town Credit Cards.

Cardholder's Signature:

Cardholder's Printed Name:

Date: _____

CC Number # _____