

RESOLUTION # 442

A RESOLUTION ADOPTING POLICIES TO GOVERN THE USE OF TOWN CREDIT CARDS TO TRANSACT OFFICIAL TOWN BUSINESS.

Whereas, the Town Council of the Town of Yacolt finds that the use of credit cards is a customary and economical business practice that can improve cash management, reduce costs and increase efficiency;

Whereas, RCW 43.09.2855 provides that any town which contracts for the issuance and use of credit cards must adopt a system for the distribution, authorization, credit limits, payments and control of such credit cards; and,

Whereas, the Town Council desires to establish policies for the use of Town credit cards by its employees and officials in transacting official Town business:

NOW THEREFORE THE TOWN COUNCIL OF THE TOWN OF YACOLT, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

I. BACKGROUND:

This Resolution shall govern the use of credit cards by and for the Town of Yacolt to transact official Town business that is not otherwise budgeted or regulated by state law. The Town of Yacolt's policy has been established to provide a convenient, efficient means to purchase commodities from vendors and to reduce costs associated with the purchasing process. The program is designed to allow employees to purchase items needed for Town business and is considered an enhancement to the purchasing process. The use of a Town credit card is a privilege that may be granted to the employees. Certain responsibilities are associated with this privilege. The Town Clerk/Treasurer is responsible for the management of the program and to ensure that employees follow all State and Town laws, rules, and policies relating to the purchasing process.

II. DISTRIBUTION:

Credit cards may be distributed to those Town officials and employees who in the opinion of the Town Clerk/Treasurer and/or the Mayor have job responsibilities that would benefit from the use of a credit card and where the credit card use would benefit the Town.

III. AUTHORIZATION AND CONTROL:

The Town Clerk/Treasurer will ensure that all Town credit cards are used in accordance with these policies:

- A. Use of a Town credit card is authorized for hotel room and other travel-related deposits for authorized official travel on Town business.
- B. Use of a Town credit card is authorized for payments to equipment and supply vendors with whom the Town does not have a current account, is not expected to have an account, or where the requirements of opening an account would delay an important purchase or result in less beneficial terms.
- C. Town credit cards shall not be used for cash advances.
- D. Town credit cards shall not be used for personal purchases.
- E. Town credit cards shall not be used by anyone other than the cardholder to make purchases.
- F. Town credit cards shall not be used to purchase services, (i.e. consultant fees, window washing, temporary help, equipment repair, etc.).
- G. Town credit cards shall not be used to pay other invoices or statements.
- H. Employees shall return all Town credit cards at the request of the Mayor or Town Clerk/Treasurer, or upon termination of employment. An employee's final paycheck may be withheld until all outstanding Town property has been returned.
- I. Employees shall sign the Town of Yacolt Credit Card Use Agreement before the issuance or use of any Town credit card, (attached Exhibit A).

IV. RECONCILIATION AND PAYMENT PROCESS:

All credit card charges must be supported by receipts or other appropriate documentation that is attached to the bill for payment processing. Employees authorized to use Town credit cards are responsible for providing all necessary documentation required by the Town Clerk/Treasurer's department to process payments on a timely basis.

- A. Employees shall submit Town credit card receipts no later than five (5) business days after the purchase date.
- B. Employees shall submit delivery receipts no later than two (2) business days after the date merchandise is received.
- C. Employees shall document internet purchases by printing out the purchase confirmation page from the vendor's website, and then submit such documentation no later than two (2) business days after the purchase date.
- D. The Town Clerk/Treasurer shall pay all appropriate credit card charges pursuant to any credit card statement in a timely manner to avoid the imposition of interest charges, late fees or other penalties by the credit card issuer.

V. CREDIT LIMITS:

The Town Clerk/Treasurer upon direction from the Mayor shall set credit limits for each credit card account and each credit card issued. In no event shall the credit limit on any Town credit card account exceed \$2,000.00.

VI. UNAUTHORIZED CHARGES:

Violation of this policy or misuse of the Town credit card may result in revocation of the card and/or other disciplinary action, including termination. Any employee using a Town credit card for non-Town business shall be personally liable for all such charges plus any interest or late charges imposed by the issuer of the credit card. The Town shall have a lien against any amount owed by the Town to the employee equal to the amount the employee owes for disallowed or unsupported charges. If interest or late fees are incurred as a result of an employee's failure to submit necessary documentation in a timely manner, the employee will also be responsible for payment of such interest and fees. The Town may withhold the amounts owed by the employee from any amount due to the employee, including the employee's wages. The Town Clerk/Treasurer or his/her designee is authorized and directed to take all reasonably necessary legal actions to recover any unauthorized charges.

VII. SEVERABILITY:

If any section, paragraph, clause or phrase of this Resolution is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The Town Council hereby declares that they would have passed this Resolution and each section, paragraph, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, paragraphs, clauses or phrases may subsequently be found by competent authority to be unconstitutional or invalid.

VIII. EFFECTIVE DATE:

This policy shall be effective immediately upon passage and approval of this Resolution by the Town Council.

RESOLVED and passed this 20th day of December, 2010, by the Town Council of Yacolt, Washington.



Joe Warren, Mayor

ATTEST:



Crystal Bielec, Customer Service Clerk