RESOLUTION #2012-15 NOVEMBER 13, 2012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILLWOOD ADOPTING A POLICY ON THE USE OF CREDIT CARDS BY OFFICIALS AND EMPLOYEES

WHEREAS, the City of Millwood is authorized to use credit cards for official government purchases and acquisitions, in accordance to RCW 43.09.2855, and

WHEREAS, the use of credit cards is a customary and economical business practice to improve cash management, reduce costs, and increase efficiency;

Now, therefore, the City Council of the City of Millwood do hereby resolve:

The following policy on the use of credit cards by the City of Millwood is adopted:

Credit Card Use

1. Distribution of credit cards.

The City of Millwood shall have one credit card account for travel and purchases. Cards will be issued to officials and department heads for official city business as determined by the city treasurer.

2. Authorization to use credit cards.

Officials, city department heads, and other employees of the City of Millwood are authorized to use credit cards for official government travel expenses and purchases. Such credit cards are to be used when a purchase order cannot be used and an open charge account is not available.

3. Credit limits.

The credit limit on each subsidiary credit card shall be $1,500.

4. Approved uses of credit cards.

Credit cards may be used for the following:

A. Fuel, supplies and equipment – only if a purchase order cannot be issued or an open charge account is not available. Charges for supplies and equipment shall not exceed $1,000 per item without the approval of the treasurer;

B. Registrations for training seminars and related conferences; and

C. Travel and/or training expenses including deposits to hold rooms, lodging, airline tickets, meals (except alcoholic beverages), tips, parking and gasoline, in accordance with the City's travel reimbursement policy.

The credit card account may be one that accrues airline miles at no extra cost; accordingly, all earned flyer miles shall be used toward airline tickets for official city business.

5. Purchasing restrictions.

The following credit card uses are not authorized:

A. Cash advances of any kind.

B. Payment of invoices or statements received by the city.

C. Personal purchases of any kind or for non-City purposes, even if the card user intends to reimburse the City.

6. Reporting credit card charges.

After using the credit card for an approved purchase, the card user will code the receipt and forward to the treasurer within five working days. If receipts are not submitted on a timely basis, the city shall have a prior lien against and a right to withhold any and all funds payable to the official or employee up to an amount of the interest charged by the company which issued the credit card for the period of time that the charges could not be paid. The treasurer will pay all submitted and/or properly coded charges on a monthly basis.

7. Use of cards for unauthorized charges.

Any charges against the purchasing charge card not properly identified on the credit card report or not properly allowed following a post audit shall be paid by the official or employee by check, U.S. currency, or salary deduction. If, for any reason, disallowed charges are not repaid before the charge 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 official or employee up to an amount of the disallowed charges and interest at the same rate as charged by the company which issued the charge card.

8. Control.

The treasurer is responsible for administration of the cards to include, but not limited to, selection of the card provider, payment of credit card bills, managing the issuance of cards and ensuring proper use. The treasurer is authorized to revoke the use of any credit card issued and immediately require the surrender of the credit card.

9. Misuse of credit card.

Misuse of a city credit card may result in revocation of the credit card, disciplinary action, termination or legal action.

10. Responsibility and accountability.

It is the responsibility of each individual cardholder to:

1. Safeguard the credit card and credit card account number at all times; lost or stolen credit cards must be reported immediately to the credit card agency and the treasurer.

2. Not allow anyone to use the credit card and/or credit card account number who is not authorized to do so;

3. Obtain and retain original itemized receipts for goods and services purchased.

4. Submit documentation of expenses in a timely manner to the treasurer for payment processing.

5. Surrender the credit card and corresponding support documentation to the treasurer upon separation from the City of Millwood.

Approved this 13th day of November, 2012.

Daniel N. Mork, Mayor

Attest:

Thomas G. Richardson, City Clerk