

TOWN OF RICHMOND

CREDIT CARD

POLICY

PURPOSE:

The purpose of this Policy is to establish the guidelines for the issuance of credit card use by the Town of Richmond.

POLICY:

~~GUIDELINES: Credit cards will only be used when a vendor does not have an established billing system to invoice the Town of Richmond for expenses.~~

Every effort should be made to establish credit with vendors who will bill the Town vs using credit cards at the time of purchase.

Credit cards ~~purchases~~ for vendors will only be ~~obtained-allowed~~ when there is no other practical method for making purchases at the vendor's site ~~of operation, on the phone, or through a vendors website. Such examples are The Home Depot and Staples.~~ The cards are to be secured by a Department Head and only used for official Town of Richmond business. Receipts should be coded by the Department Head immediately and handed in to the Finance Department for payment.

The Town will maintain one credit card, with a limit of \$3000, for purposes of making on line purchases with no other practical method of payment. Such examples are on-line registration for classes when the vendor offers no other mechanism for payment, and internet domain or hosting services.

1. One general use card will have a \$3,000 limit and will be kept in a ~~secure location locked cabinet within the Town Vault,~~ and maintained by the Finance Department. A second card for the same account will be held by the Police Chief and will be used for purposes pertaining to officer training. ~~(Why one card?)~~
2. Documentation will be required to show the need for the cards use and once approved the purchase can be made.
3. Once approved, ~~the~~ either the Finance Department or the Police Chief will give the card to authorized personnel for immediate use.
4. As soon as the purchase is made, the card will be returned along with documentation showing the purchase was made and the card charged. The receipt/documentation should be coded by the Department Head immediately for payment and will be held by the Finance Department and approval of payment will be made upon the monthly statement arriving. ~~If the statement is not received by the first Board meeting of the month, the Finance Department will log into the online account to obtain a report of all purchases that were made. The payment will be processed and included in the warrant so that to ensure it will be timely and no late fees will be applied to the account.~~
5. If a service is cancelled by the vendor, the Finance Department should be notified immediately so payment will not be issued or to verify the vendor has credited the payment.
6. Cards specific to a company such as Home Depot or Staples will be held by an authorized Department Head in a secure location within their department. All purchases will require a coded receipt that will be given to the Finance Department immediately and held until the monthly statement is received and approved for payment. ~~(How do this cards get approved? Do you need to include a section that states "credit cards can only be acquired through the Finance Department"?)~~

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TAX EXEMPT STATUS

An authorized employee using a Town credit card shall notify the vendor or merchant that the credit card transaction is tax exempt for goods and services purchase-d in the State of Vermont. ~~If the vendor does not have the Town's tax exempt certificate on file, the Finance Department will process a certificate to be utilized at the time of service. If it is not possible to provide the tax exempt certificate at time of service, the tax will be addressed when the invoice is being paid and copy of the tax exempt certificate will accompany the Town's payment to the vendor.~~

MISUSE:

The credit card may not be used for cash advances, personal use or any other type of purchase not permitted under the Town's purchasing policy.

Misuse of the credit card(s) will result in immediate revocation of the card and disciplinary measures up to and including dismissal, and appropriate criminal and/or civil action.

Date approved:

Christine Werneke David Sander Bard Hill June Heston Cody
Quattrocchi Lincoln Bressor Bard Hill David Sander Steve May Stephen Ackerman

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