

Policies and Procedures  
Employee Use of Town Credit Card

1. Authorization – The Town Manager, Treasurer and Department Head must provide written authorization prior to the issuance or use of a Town credit card to a Town employee.
2. Employee Agreement – The employee must sign an agreement acknowledging that he has read and understands the policies and procedures governing the use of a Town credit card.
3. Restricted Use – The use of a Town credit card is subject to the following restrictions:
  - No personal or private expenditure shall be to be charged to a Town account.
  - No regular operating expense (e.g. monthly telephone bills, inter-net agreement, etc.) shall be charged to a credit card.
  - Each expense charged must be accompanied by the actual itemized receipt and brief explanation. (For example, if the expense is for meals or food, note on the receipt if it was for a luncheon meeting and how many meals were included on the bill). In other words, each expense should have the same type of documentation that you would include on a request for reimbursement.
  - An expense in excess of \$100 (?) should be pre-approved. Capital purchases should never be charged to a credit card.
  - Travel expenses (e.g. airfare, hotel rooms, conference registrations) should be submitted for payment via a purchase order whenever possible. In the exceptional case when a credit card is used for such expenses, the conference and travel expense should be pre-approved by the appropriate authority.
  - Documentation of each expense shall be submitted with the credit card statement.
  - No cash advances will be permitted on a Town credit card.
  - Each credit card issued will have a maximum monthly balance of \$1,000.

4. Card Payments - All statements shall be submitted with required documentation in a timely manner. No late fees or interest payments shall be honored by the Town for payment and shall be the responsibility of the cardholder. Expenses without proper documentation shall be the responsibility of the cardholder.
  
5. Violations of the Town's credit policy shall result in disciplinary action, including termination of employment or prosecution.

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