

**PURPOSE:**

To authorize the use of District credit cards to transact official District business.

**REFERENCES:** RCW 43.09.2855 (Attachment B)

**POLICY:**

- A. The Vashon Park District Board of Commissioners has authorized the Executive Director to issue District credit cards for the following uses:
- **Transportation/Travel:** Credit cards may be used by the below assigned individuals for official business related expenditures for hotel, parking, ferry, taxi, meals, gas, airline tickets, emergency District vehicle repairs and other travel related expenses as authorized by the Park District's "Reimbursable and Non-reimbursable Expenses" Policy #01-08 . In addition, the assigned individuals may use their District credit card for conference and class registrations. Travel and class registrations require the Executive Director's pre-approval.
  - **Purchases:** The assigned credit cards may be used for ordering supplies, including on-line purchases, under \$1,000 for Park District purposes. Purchases over \$1,000 online must be pre-approved in writing by the Executive Director, and the written ED approval must accompany the receipt. Department of Enterprise Services online vendors will be used whenever possible. When not possible, three quotes must be obtained for lowest cost for purchases greater than \$100. The three quotes must be attached to the purchase receipt and submitted to the Business Manager.
  - **Purchases** where an open charge account exists, the account having been approved by the Executive Director in advance, may be utilized for convenience at the time of purchase subject to the conditions noted in "Purchases" above.
  - **Credit Limit:** The credit limit for each assigned District credit card shall be \$2,500.
  - District credit cards shall not be used for cash advances or personal purchases.
- B. Credit Cards/Open Charge Accounts may be issued to District departments as follows:
- |                 |  |
|-----------------|--|
| Administration: | Executive Director   |
| Finance:        | Administrative Assistant (open charge accounts and online purchases only – no credit card) |
| Maintenance:    | Director   |
| Lodgings:       | Manager  |

## PROCEDURES

- A. Authorization: Payment of all credit card expenditures is contingent upon the District Executive Director and Business Manager's approval of the monthly statement of transactions. If the expenditure is deemed inappropriate, the assigned credit card holder will be responsible for reimbursing the District.
- B. Receipts/Verification:
  - 1. Receipts **must be obtained** by the Administrative Assistant or purchaser for each credit card transaction, and given to the Business Manager.
  - 2. The purpose of the charge and the name of the individual(s) involved must be clearly written on the receipt. Meal receipts must note who ate and the purpose of the meeting.
  - 3. Receipts or purchase verification for on-line charges are to be delivered to, and saved and retained by the Business Manager.
  - 4. Any online purchases not made by the card holder will be made by the Administrative Assistant, utilizing the card holder's card with the card holder's authorization via attached email or initialed receipt.
  - 5. Purchases via the Administrative Assistant whenever possible are required, as are electronic receipts and authorizations.
- C. The Business Manager will:
  - 1. Enter the transaction into the finance accounts payable program;
  - 2. Verify all credit card expenditures against the monthly transaction summary;
  - 3. Notify the Department Head of missing receipts, and follow up to collect them.

## CONTROL:

- A. The Business Manager will not make any online or credit card purchases, as it is the Business Manager's responsibility to audit purchasing.
- B. The assigned department is responsible for contacting the vendor when supplies purchased with the credit card are not acceptable (incorrect order, damaged, etc.) and for arranging a return for credit or exchange.
- C. The Executive Director and Business Manager are responsible for administration of the cards to include, but is not limited to, selection of the card provider, payment of credit card bills, managing the issuance of cards and ensuring proper use.
- D. The Executive Director will disallow the use of the assigned District credit card for violation or misuse of the credit card in accordance with this policy. The following will be considered an unauthorized purchase or use of any District purchasing/ credit card:
  - 1. Cash advances
  - 2. Payment of invoices or statements, unless made by the Administrative Assistant or Managers due to a utility failing to provide service. ACH payments to utilities and recurring consistent charges made from our CC account are not included.
  - 3. Purchases where an open business account would be utilized
  - 4. Personal purchases of any kind
- E. Any exceptions to this policy must be approved in writing in advance by the Executive Director.

- F. Assigned individuals will sign a Credit Card User Agreement (Attachment A) before they are eligible to use the card.
- G. Credit cards are to be returned to the District immediately upon ending employment with the District.
- H. Misuse of a District credit card may result in disciplinary action or termination or legal action
- I. Failure to provide detailed documentation as required by the policy will result in the user being responsible for the charge.

**CREDIT CARD/OPEN BUSINESS ACCOUNT USER AGREEMENT  
(Attachment A)**

I, \_\_\_\_\_, as an employee of the Vashon Park District, accept personal responsibility for the safeguard and proper use of CC # \_\_\_\_\_, which has been assigned to me for use in the performance of my job, in accordance with the terms outlined below. I understand that this agreement also applies to use of open business account charges.

Credit cards are to be used solely for transportation and travel related business expenses (within and outside the Island), and conference/class registrations incurred by the assigned individual only.

Credit cards may be used for purchasing one-time department equipment and supplies up to \$1,000 or over \$1,000 with prior approval from the Executive Director.

I have read and understand the credit card policies and procedures as set out in Credit Card Policy #14-04.

I understand the Executive Director will disallow my use of a District credit card for violation or misuse of the credit card and/or credit card policies and procedures and that such violation or misuse may subject me to discipline, including termination, under the District's Personnel Policies.

I understand that each time I use, or authorize the use thereof, that I am adhering to the following statement:

"I hereby certify under penalty of perjury that this is a true and correct claim for necessary expenditures incurred by me and that no payment has been received by me on account thereof."

I understand that I will be held personally liable for inappropriate charges I incur to the District credit card, and payment for any such inappropriate charge is hereby authorized to be withheld from my paycheck.

The undersigned individual has read and understands the above statements.

\_\_\_\_\_  
Employee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
Date

**BACKGROUND**

The 1995 legislature passed legislation making the following finding:

Findings – 1995 C30: The legislature finds that (1) the use of credit cards is a customary and economical business practice to improve cash management, reduce costs and increase efficiency; and (2) local governments should consider and use credit cards when appropriate.

RCW 43.09.2855 reads as follows:

(1) Local governments, including counties, cities, towns and special purpose districts, municipal and quasi-municipal corporations, and political subdivisions, are authorized to use credit cards for official government purchases and acquisitions.

(2) A local government may contract for issuance of the credit cards.

(3) The legislative body shall adopt a system for:

- a. The distribution of the credit cards
- b. The authorization and control of the use of credit card funds
- c. The credit limits available on the credit cards
- d. Payment of the bills
- e. Any other rule necessary to implement or administer the system under this section.

(4) As used in this section, “credit card” means a card or device issued under an arrangement pursuant to which the issuer gives a card holder the privilege of obtaining credit from the issuer.

(5) Any credit card system adopted under this section is subject to examination by the state auditor’s office pursuant to chapter 43.09 RCW.

(6) Cash advances on credit cards are prohibited.