

RESOLUTION NO.2014-04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BEVIL OAKS,  
JEFFERSON COUNTY, TEXAS ADOPTING A CITY POLICY FOR CITY  
CREDIT CARD USE BYEMPLOYEES/OFFICIALS

WHEREEAS, it is important to have clear policies in place detailing the guidelines for appropriate behavior for employees and city officials; and

WHEREAS, the City wishes to establish a policy regarding the use of an official City credit card by employees and city officials; and

WHEREAS, such activity is authorized by all applicable State and Federal regulations; and

WHEREAS, such a policy brings the City into compliance with auditing requirements of the State Auditor's Office;


Now, therefore

BE IT RESOLVED that the Bevil Oaks City Council adopts the attached policy, marked as Exhibit A, as the official Bevil Oaks city policy for city credit card use by employees and city officials.

ADOPTED by the City Council at an open public meeting held on the 20th day of November, 2014.



Rebecca M. Ford, Mayor

Attest: 

Sherry Adams, Secretary

# CITY OF BEVIL OAKS, TEXAS

## Financial Policies

### Credit Card Use by Officials and Employees

#### **Purpose:**

The purpose of this policy shall be to set forth the policy of the City of Bevil Oaks, Texas for the use of a credit card by City officials and employees. This chapter shall be interpreted to provide for the use of the credit card by authorized persons to the fullest extent allowed by law.

#### **Definitions:**

As used in this policy. The term "credit card" means a card or device issued under an arrangement pursuant to which the issuer (credit card company) gives to the card holder (the City) the privilege of obtaining credit from the issuer. Credit cards include cards imprinted with a specific named individual user, cards imprinted with a specific named city department, and cards issued for use by the City with a specific vendor.

#### **Issuance, use and control of credit cards**

The City adopts the following system for the issuance, use and control of credit cards by City officials and employees.

- A. The Mayor is authorized to obtain a City credit card under the following system which provides for the distribution, authorization, control, credit limits and payment of bills through the use of the credit card by City officials and employees.

1. **Issuance and Use.** A credit card may be issued to the City of Bevil Oaks and used by authorized City officials and employees **exclusively** for online purchases of goods, services, supplies and other items from vendors, incurring registration and training or travel expenses in connection with the performance of their duties on behalf of the City, when paying by check is prohibited. The card imprinted with the name of an individual (City Secretary/Finance Officer) must be signed by that individual using the city card user agreement.
2. **Authorization and Control.** The credit card shall remain in the City office at all times. A purchase order, signed by two (2) authorized City officials, must be completed for every purchase to be paid with the credit card. The billing statement/receipt for the goods purchased must be attached to the signed purchase order and retained for audit purposes. A monthly reporting of all credit card purchases, if any, shall be included in Council packages along with the monthly checks written report.
3. **Credit Card Limits.** Credit card limits shall be set administratively reflecting among other things purchases expected to be made during a typical billing cycle and additional credit capacity needed in an emergency or other contingency. **(\$1,000.00 maximum limit per billing cycle/transaction).**

4. **Payment of Bills.** The City Clerk shall be responsible for the prompt payment of all credit card bills on or before the due date.

5. **Unauthorized Charges.** No official or employee shall use the City-issued credit card for non-city business purposes. No charge(s) shall exceed amounts established and available in the City budget.

6. **Prohibited Uses.** Cash advances on credit cards are prohibited. In-store purchases on credit card are prohibited.

B. Reservations and expenses incident to authorized travel may be charged to the City-issued credit card provided that, as with all other purchases/charges, a purchase order is created and signed by two (2) authorized City officials prior to the transaction and copies of all reservations/expenses are attached to the purchase order and retained for audit purposes.

C. Failure to provide detailed documentation as required by the policy may result in the user being responsible for the charge. If certain credit charges are disallowed as a result of audit or City policy, such charge must be repaid to the City with the City having the right to withhold funds payable to the official or employee up to the amount of the disallowed charge including interest at the rate charged by the credit card company. Misuse of the City credit card may result in disciplinary action up to and including termination and legal action.

D. The Mayor is authorized to revoke the use of the credit card issued and immediately require the surrender of the credit card. The Mayor may deliver a revocation order to the credit card company with the City not being liable for any future costs incurred after the date of revocation.

E. The Mayor is authorized to adopt any additional rules or policies necessary to implement the provisions of this financial policy.