

RESOLUTION NO. R96-32
CITY OF COLDWATER
POLICY ON
CREDIT CARD TRANSACTIONS

WHEREAS; Public Act 266 of 1995, became effective January 8, 1996, and this act authorizes the use of credit cards by local units of government for appropriate expenses and;

WHEREAS; Public Act 266 of 1995, sets specific criteria which must be followed and a written policy must be adopted by resolution and;

WHEREAS; the written policy of the City of Coldwater is as follows:

- a. The Executive Secretary to the City Manager is responsible for the issuance, accounting, monitoring, and retrieval and generally for overseeing compliance with this credit card policy.
- b. The credit card may be used only by an officer or employee for the purchase of goods or services for the official business of the City of Coldwater.
- c. The officer or employee using the credit card must submit documentation detailing the goods or services purchased, cost, date of the purchase, and the official business.
- d. The officer or employee issued the card is responsible for its protection and custody and shall immediately notify the Executive Secretary to the City Manager if the card is lost or stolen.
- e. The officer or employee must immediately surrender the card upon termination of employment.
- f. The City has an established system of internal accounting controls to monitor the use of credit cards.
- g. The City has a system of internal accounting controls for the approval of credit card invoices before payment is made.
- h. Any credit card balance, including interest due on the extension of credit under the credit card arrangement, shall be paid for within sixty (60) days of the initial statement date.
- i. Disciplinary measures for the unauthorized use of a credit card by an officer or employee of the City will be consistent with applicable federal, state or local laws.

and;

WHEREAS; the total combined authorized credit limit of all credit cards issued by the City of Coldwater shall not exceed 5% of the total budget of the City for the current fiscal year and;

WHEREAS; a credit card arrangement entered into by the City before the effective date of P.A. 266 of 1995, being January 8, 1996, is valid, but may not be used for credit card transactions after the effective date of the act unless this credit card policy has been approved by the City Council and the 5% limit is not exceeded.

and;

THEREFORE: on June 24, 1996, at the Regular Meeting of the Coldwater City Council, this policy on credit card transactions was adopted by the following vote:

Ayes:

Nays:

Absent:

Aloha Miller
Mayor Pro-Tem

Gerald M. Boguth
City Clerk/Assessor