

RESOLUTION NO. 583

**A RESOLUTION OF THE CITY OF UNIVERSITY PLACE, WASHINGTON,  
ESTABLISHING PROCEDURES FOR THE PROPER USE AND PAYMENT OF CREDIT  
CARDS AS DICTATED BY CITY ORDINANCE NO. 368**

WHEREAS, officers and employees are authorized the use of credit cards for official government purchases and acquisitions; and

WHEREAS, a credit card policy was adopted by Ordinance No. 106 and amended by Ordinance No. 368; and

WHEREAS, changes are now being made to the credit card policy to allow online purchases, clarify the use of cards for travel and allow the use of the cards for supply purchases up to \$1,000 and to make other minor changes; NOW THEREFORE,

**BE IT RESOLVED BY CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE,  
WASHINGTON, AS FOLLOWS:**


Section 1. Establish Credit Card Policies and Procedures. Credit Card Policies and Procedures for use and payment of credit cards are hereby established and attached as Exhibit A. Amendments have been made to Sections 5.

Section 2. Effective Date. This resolution shall be effective immediately upon adoption.

**ADOPTED BY THE CITY COUNCIL ON MAY 5, 2008.**

  
\_\_\_\_\_  
Linda Bird, Mayor

ATTEST:

  
\_\_\_\_\_  
Emelita Genetia, City Clerk

# EXHIBIT A

## CREDIT CARD PROCEDURES

### 1. PURPOSE

To establish procedures for the proper usage and payment of credit cards as dictated by City Ordinance No. 106 and 368.

### 2. REFERENCES

RCW 43.09.2855, City Ordinance No. 106 and No. 368.

### 3. DEFINITIONS

Disallowed charges: Any charges on a credit card that are not authorized, appropriately documented, or otherwise allowable according to state law, City Ordinance No. 106 and 368, and accompanying City policy.

### 4. POLICY

The City Council has authorized the use of credit cards for official government purchases and acquisitions. Credit cards may be distributed to those City employees who, in the opinion of the City Manager, have job responsibilities that would benefit or otherwise be facilitated by the use of a credit card.

### 5. PROCEDURES

- A. The City of University Place retains two types of authorized credit cards: 1) City credit cards issued to employees under their own name, and 2) credit cards issued by certain vendors that are available for check-out from the Finance Division.
- B. Credit cards available for check-out will be secured in the Finance Division at all times unless checked out for use. Personal purchases and cash advances are prohibited, and the employee may be held personally liable for any unauthorized charges appearing on the credit card statement.

#### Credit cards issued to employees:

- C. The Finance Division will maintain a list of all employees issued a credit card and their credit card number. Employees receiving a credit card must sign and abide by the use policy outlined on the City's credit card authorization form. Only the employee to whom the card is issued or pre-approved designee is authorized to use the card. Card numbers will not be released to other staff members.
- D. Travel – Credit Cards may be used by the above assigned individuals for official business – related expenditures for hotel, parking, ferry, taxi, meals, gas, airline tickets, emergency City vehicle repairs and other travel related expenses as authorized by the City Manager. In addition the assigned individual may use the City credit card for conference and class registrations. Out of State travel requires the City Manager's pre-approval.
- E. Purchases – The assigned credit cards may be used for purchasing supplies, including on-line purchases (see K below), under \$1,000 for City purposes.

- F. Credit Limit – The credit limit for each assigned City credit card shall not exceed \$2,500 for any individual credit card unless authorized by the City Manager. Cash advances on credit cards are specifically prohibited by law.
- G. As soon as possible after an expense is charged, the employee will fill out a credit card expense form including the date of expenditure, amount, account number, and reason for expenditure. The employee will return the form to Finance with original receipts attached. The receipts should itemize the expenditure and include the date and name of vendor. The employee's signature and the account number to be charged should also be written on the receipt.

Credit cards checked out through the Finance Division:

- H. Employees who wish to check out a vendor credit card (e.g., Lowes, Home Depot, Kinko's) may do so through the Finance Division. The employee will fill out the credit card sign-out sheet which includes the date issued, employee name, and department account.
- I. As soon as possible after an expense is charged, the employee will return the credit card to the Finance Division and fill out the credit card sign-out sheet with date returned and amount spent. The employee will turn in an original, dated, itemized receipt detailing the expenditure. The employee should sign and record the account number on the receipt. Credit cards should be returned as soon as possible and not be kept overnight.

All credit cards:

- J. All billing statements will be sent to the Finance Division. Upon receiving the credit card statement, Accounts Payable will reconcile the credit card expense forms and receipts with the credit card statement. Accounts Payable will ensure all purchases are accounted for and any questionable charges are investigated.
- K. Internet Purchasing – A credit card number should not be entered in a web browser to purchase items unless the vendor insures the card number is encrypted. This can only be verified when transacting business on a secured server using Secured Socket Layering (SSL). On the bottom line (status bar) of the browser, the padlock should be "locked". If the padlock is not "locked", the transaction information is not secure. Do not store credit card numbers for future use on on-line sites.  
  
Credit card user must print legible, itemized receipt at point of purchase from internet site.
- L. The billing statement will be paid in full every month. The City will not pay interest or penalties on any credit card. Employees may be held personally liable for any credit card purchase that is unauthorized or undocumented. Any unauthorized personal charges will be repaid to the City immediately.
- M. If, for any reason, disallowed charges are not repaid before the credit card billing statement is due and payable, the City shall have a prior lien against and a right to withhold any and all funds payable or to become payable to the employee up to the amount of the disallowed charges and interest, at the same rate as charged by the company that issued the credit card. Employees shall not use the credit card if any disallowed charges are outstanding.

The employee shall return all City credit cards at the request of the City Manager or designee, or upon separation from City employment.