Town of Rangeley
Credit Card Policy

The primary advantages of establishing a Credit Card Program are the various ways that the Town and the Departments utilizing the program can establish limits and restrictions on individual purchases. Prompt payment to vendors enhances the Town's relationships with suppliers.

The success of the Town of Rangeley Credit Card Program relies on the cooperation and professionalism of all personnel associated with this initiative. The Cardholder is the most important participant and is the key element in making this program successful.

PURPOSE

To establish those procedures under which departments will control the use of Credit Cards assigned to and utilized by Town employees for materials and services. These procedures are intended to accomplish the following:

1. To ensure that the procurement with Credit Cards is accomplished in accordance with this policy and procedures.
2. To enhance productivity, significantly reduce paperwork, improve controls, and reduce the overall cost associated with purchases.
3. To ensure appropriate internal controls are established within each department procuring with Credit Cards so that they are used only for authorized purposes.
4. To ensure that the Town bears no legal liability from inappropriate use of Credit Cards.

SCOPE

The Town Manager, along with the Treasurer, will make all decisions regarding the issuing of individual cards and the establishment of any and all additional controls for their use.

USE OF CREDIT CARD

THE CREDIT CARD IS TO BE USED FOR TOWN PURCHASES ONLY. CASH ADVANCES THROUGH BANK TELLERS OR AUTOMATED TELLER MACHINES ARE PROHIBITED:

The Credit Card will not be used for personal purchases of any kind. Use of the Credit Card for personal purchases or expenses with the intention of reimbursing the Town is prohibited and will result in immediate suspension without pay during the investigation process. Immediate termination will follow if investigation finds the employee at fault.

Each Credit Card shall not be lent to any other person. Cardholders are responsible for the security of their Credit Card. All precautions shall be used to maintain confidentiality of the Cardholder's account number and expiration date of the Credit Card.

When using the Credit Card, the Cardholder should:

1. Ensure that the goods or services to be purchased are budgeted and allowable.
2. Determine if the intended purchase is within the Cardholder's Credit Card limits.
3. Tell the supplier/merchant that the purchase will be made using the Credit Card issued by Credit Card Issuer through the Town of Rangeley.

4. Inform the merchant that the purchase is tax exempt. The tax exempt number is E80446. Review the receipt before leaving the store and request a credit if taxes were charged in error.
5. The Cardholder is responsible for managing any returns or exchanges and ensuring that proper credit is received for returned merchandise.

DOCUMENTATION, RECONCILIATION, AND PAYMENT PROCEDURES
It is important to the success of the Credit Card Program that Cardholders adhere to the following procedures. Failure to keep adequate receipts or frequent abuse of these provisions will result in cancellation of the Cardholder's Credit Card.

1. Documentation - Any time a purchase is made using the Credit Card, the Cardholder is to obtain a customer copy of the receipt, which will become the accountable document.
2. Missing Documentation - If the Cardholder does not have a receipt or documentation to submit with the purchase order, a reconciliation statement that includes a description of the item, date of purchase, merchant's name, and an explanation for the missing support documents must be submitted to the Finance Director. Frequent instances of missing documentation will cause a Cardholder's Credit Card use privilege to be revoked.
3. Receipt & Invoice Procedures – Receipts and/or invoices must be submitted to the Finance Department with the purpose of the purchase, the account number to be charged, and a department head signature on them.
4. Payments will be made by statement. All Credit Card Statements will be received by the Finance Department for reconciliation; any department may request a copy of the statement for their own records. Any missing invoice or receipt will need to follow instructions on line 2 above (Missing Documentation). It is the card users' responsibility to submit the receipt(s) in a timely manner, if the receipt(s) are not submitted in a timely manner; the department who is using the card will be responsible for interest or late charges added for that item purchased from their departments' expense lines.
5. All monthly credit card statements will be included with the accounts payable warrants so that the signers can review any charges made.

RETURNED ITEMS
If items purchased with the Credit Card are found defective or the repair or services faulty, the Cardholder has the responsibility to return the items to the merchant for replacement or credit. CASH REFUNDS WILL NOT BE PERMITTED.

LOST OR STOLEN CREDIT CARDS
It is the responsibility of the Cardholder to immediately notify the Finance Department of a lost or stolen Credit Card.

Failure to promptly notify the issuing bank of the theft or loss of the Credit Card could make the Town responsible for any fraudulent use of the card and result in loss of privileges for the Cardholder.

TERMINATION OR TRANSFER
Upon termination of employment for any reason, a Cardholder must relinquish their Credit Card at the time of separation from the Town. The Finance Director will notify the Credit Card Issuer and the Cardholder's card will be immediately deactivated. A Cardholder who fraudulently uses the Credit Card after separation from the Town will be subject to legal action.

First Reading 2/5/2013

Adopted: 2/19/2013

I have read and understand the Credit Card Policy for the Town of Rangeley.

Employee Signature	Date	Witness Signature	Date

ADMINISTRATIVE REGULATION
AGREEMENT TO ACCEPT TOWN CREDIT CARD

I, hereby acknowledge receipt of a Town of Rangeley Credit Card, number __________________.

As a Cardholder, I agree to comply with the terms and conditions of this Agreement and the applicable provisions of the Town of Rangeley's Credit Card Policy, as may subsequently be revised. I acknowledge receipt of such and I have read and understand its terms and conditions. I understand the Town of Rangeley is liable to the financial institution for all charges made by me.

As the holder of this credit card, I agree to accept responsibility for the protection and proper use of this card as outlined in the policy. I understand that I am responsible for retaining all receipts for processing to the Finance Department and that failure to provide receipts may result in a payroll withholding. I understand that I CAN NOT use the credit card for personal use even if the intent is to reimburse the Town.

I further understand that improper use of this credit card may result in disciplinary action, up to and including TERMINATION of employment. Should I fail to use this credit card properly, I authorize the Town of Rangeley to deduct from my salary that amount equal to the total of the discrepancy. I also agree to allow the Town of Rangeley to collect any amounts owed by me even if I am no longer employed by the Town. If the Town initiates legal proceedings to recover amounts owed by me under this Agreement, I agree to pay all legal fees incurred by the Town in such proceedings.

I understand the Town may terminate my rights to use this credit card at any time for any reason. I agree to return the credit card to the Town of Rangeley immediately upon request or upon termination of employment.

Cardholder	Date
Town Manager	Date
Finance Director	Date