


# POLICY

	Policy:	<b>Company Credit Cards</b>		
	Department:	Corporate Services		
	Division:	Financial Services	By-Law No.:	N/A
	Administered By:	Treasurer	Approval Date:	Dec. 11, 2023
	Replaces:	Company Credit Cards (May 16, 2016)		
	Attachment(s):	N/A		

## 1. POLICY STATEMENT

- 1.1. The Corporation of the Town of Amherstburg is committed to ensuring that employees shall only be given access to a company credit card where the nature of their job requires such use.
- 1.2. Company credit cards may only be used for business expenses and may not be used for expenses of a personal nature.

## 2. PURPOSE

- 2.1. This policy provides the regulations to ensure that company credit cards are used for appropriate purposes and that adequate controls are established for day-to-day use.

## 3. SCOPE

- 3.1. This policy applies to all Town employees who are in possession of a company credit card.
- 3.2. This policy applies to Managers and Directors who oversee employees who have been issued company credit cards.
- 3.3. This policy shall be reviewed every five (5) years from the date it becomes effective, and/or sooner at the discretion of the CAO or designate.

## 4. DEFINITIONS

- 4.1. **Credit Limit** means the total amount that may be charged to a credit card before transactions are refused by the credit card company.
- 4.2. **Transaction-Level Limit** means the total value of any individual transaction that may be charged to the credit card or the type of transaction that may be charged to the credit card. (i.e. Gas stations that allow credit card transactions for the purchase of gasoline but deny credit card purchases for other miscellaneous items at the gas station.)

Common definitions, acronyms, and terms are available in the Glossary located on the Town's Policies webpage.

## 5. INTERPRETATIONS

Any reference in this policy to any statute or any section of a statute shall, unless expressly stated, be deemed to be reference to the statute as amended, restated or re-enacted from time to time. Any references to a by-law or Town policy shall be deemed to be a reference to the most recent passed policy or by-law and any replacements thereto.

## **6. GENERAL CONDITIONS**

### **6.1. Use of Credit Cards and Expense Reports**

- 6.1.1. Credit cards are to be used for expenses directly relating to Town business.
- 6.1.2. Credit cards should be used only in the instances where a corporate account cannot be set up or for purchases that are emergency or one-time purchases less than \$100.
- 6.1.3. Cards will be issued in the names of specific approved employees.
- 6.1.4. Employees must retain receipts and note the purpose of the expenses on the back of each receipt.
- 6.1.5. Employees are required to file monthly expense submissions with accompanying receipts explaining the expense and the proper general ledger coding. Expense submissions must be approved in accordance with the *Procurement Policy*.
- 6.1.6. Use of company credit cards for personal expenses may result in disciplinary action up to, and including, dismissal.

### **6.2. Credit Card Invoicing, Authorization and Payment**

- 6.2.1. The employee shall submit corresponding receipts along with an expense report and the credit card invoices to the appropriate authorizing Manager/Director at the time of credit card invoicing in accordance with the Town's procurement policy.
- 6.2.2. Employees are expected to submit the invoices and monthly expense report within a week of receiving the credit card statement to avoid late payment charges.
- 6.2.3. Charges for items where receipts have been misplaced must be explained to the authorizing Manager/Director, who must initial the specific charge and indicate "receipt missing" beside it on the expense report.
- 6.2.4. The authorizing Manager/Director will confirm that the charges are justified and appropriate before authorizing the invoices for payment, after which they will sign the invoice and monthly expense report.
- 6.2.5. The approved invoices and monthly expense reports shall be forwarded to the Financial Services Division for payment.
- 6.2.6. The Financial Services Division shall verify the authorization and schedule the invoice for payment according to the terms of the credit card contract to avoid unnecessary late payment charges.

## 7. RESPONSIBILITIES

- 7.1. **Council** has the authority and responsibility to:
  - 7.1.1. Adopt the Company Credit Card Policy.
- 7.2. The **CAO** has the authority and responsibility to:
  - 7.2.1. Ensure compliance with the policy.
- 7.3. The **Treasurer** has the authority and responsibility to:
  - 7.3.1. Provide direction to Financial Services staff to process payment for credit card transactions with a focus on verifying proper authorization and prompt payment to prevent incurring late payment charges.
  - 7.3.2. .
  - 7.3.3. Arrange and authorize credit or transaction-level limits for individual cards.
- 7.4. The **Directors** has the authority and responsibility to:
  - 7.4.1. Limit the use of company credit cards to only those employees who require a card for company business.
  - 7.4.2. Review and authorize credit card invoices and expense reports from their credit card carrying employees on a timely basis to avoid late payment charges.
  - 7.4.3. Identify and request any credit limit or transaction-level limit increases/decreases for individual cards.
- 7.5. The **Managers** has the authority and responsibility to:
  - 7.5.1. Limit the use of company credit cards to only those employees who require a card for company business.
  - 7.5.2. Review and authorize credit card invoices and expense reports from their credit card carrying employees on a timely basis to avoid late payment charges.
  - 7.5.3. Identify and request any credit limit or transaction-level limit increases/decreases for individual cards.
- 7.6. **Staff** have the authority and responsibility to:
  - 7.6.1. Ensure their understanding and compliance with the policy and seek clarification where needed to follow the policy expectations
  - 7.6.2. Where permitted to use company credit cards, do so only for Town purchases.
  - 7.6.3. Where a company credit card has been used, retain receipts and provide explanations for all company credit card transactions on expense reports, as required.
  - 7.6.4. Obtain authorization for credit card expense reports and invoices from their Manager/Director.