

City of Richmond

Administrative Manual

SUBJECT: Issuance and Use of Bank Credit Cards

SECTION: Finance

POLICY NUMBER: AP 518

INITIAL DATE PREPARED: November 24, 1999 **LAST DATE REVISED:** November 24, 1999

I. Purpose

To establish a policy for the issuance and use of bank credit cards.

II. Policy

The City Council recognizes the benefits of issuing bank credit cards to selected officials and employees to facilitate conducting City business and for procurement purposes.

- A. Use of bank credit cards must be controlled and limited to business use only.
- B. It is not the intent of this policy that use of bank credit cards displace the normal procurement process. The primary procurement instruments are contained in the Procurement Policy, **AP 6__**.
- C. City Council members and certain City employees whose positions require them, will be issued bank credit cards upon request. Use of bank credit cards may be authorized to the staff of those issued bank credit cards on an individual purchase basis.
- D. Department Directors are responsible for the authorization and use of bank credit cards by employees of their departments.
- E. Unauthorized use of a bank credit card is a violation of City policy and grounds for disciplinary action.

III. Procedure

A. Issuance of Bank Credit Cards

- 1. City Council members and management officials at the division level and above shall be authorized a bank credit card. Department Directors have the authority to approve requests (AP 518-1) for issuance of bank credit cards to

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division level managers.

2. The maximum limit on any bank credit card issued will not exceed \$2,500. An exception for a higher credit limit requires the approval of the City Manager.

B. Use of Bank Credit Cards

1. Bank credit cards should be used for the purpose of procuring items needed on a non-recurring basis and for emergency purposes.
2. Cash advances are not allowed on city issued bank credit cards.

C. Accountability

1. Employees assigned bank credit cards are responsible for all charges made using the card.
2. Department Directors and users are responsible for each bank credit card bill in their department. Department Directors should insure that bank credit card statements are reconciled. The City reserves the right to audit/review bank credit card bills.
3. Department Directors shall submit billing invoices in accordance with AP 506. Department Directors shall attach all supporting documentation of the purchase, including information and documentation identifying individual items purchased and their amount.
4. Each October, the Finance Department shall provide the Department Directors a Bank Credit Card Inventory (AP 518-2) to update, sign, and return to the Finance Department. The Department Director shall annually review the list of users to ensure that designated employees continue to

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demonstrate a need for a bank credit card.

5. If a bank credit card is lost, damaged, stolen or misplaced, the cardholder shall notify the bank immediately. The cardholder shall also notify the Finance Department and the cardholder's Department Director immediately.
6. When an employee no longer has a need for a bank credit card, the Department Director should return it to the Finance Department.