

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Category:	Financial	Policy P2021-04
Title:	Distribution and Use of District Credit Cards	

PURPOSE

This statement is intended to provide policy and direction to District staff and protect the District against misuse of such credit cards, both to protect the assets of the District and to protect the District's credit.

BASIC POLICY AND OBJECTIVES

Credit cards will be issued to employees as designated by the General Manager. The CAL-Card is a credit card issued in the name of the cardholder and billed to the District. U. S. Bank does not conduct a credit check on your personal credit history before issuing you a purchasing card. Issued credit cards will remain the sole property of the District and will be issued in the names of both the authorized employee and the District. District-issued credit cards may be used only for approved or budgeted District business expenditures and only by the employee to whom the credit card is issued. Employees shall not give the credit card issued in their name to any other employee, contractor, or non-employee/person to make purchases. If a purchase is made by credit card, the cardholder must be able to substantiate that the purchase was necessary and for District use. Personal charges may not be made to any District-issued credit card.

Credit card spending limits and may differ from employee to employee depending on their purchasing responsibility. Maximum single purchase limit and maximum monthly limit are set for each card by the Director of Administration in conjunction with District Purchasing Code. The timeframe for a monthly limit is the 30-day billing cycle.

All purchases must be substantiated. Purchases made with a District credit card without receipts may result in loss of credit card privileges. Misuse of the District's credit card for any personal expenses is prohibited and grounds for disciplinary action, including loss of all credit card privileges, as well as possible termination of employment. In addition, the employee placing personal expenses on any District credit card will be required to immediately reimburse the District.

Credit cards are not to be used to circumvent other established purchasing procedures. They are not to be used to purchase materials, supplies and services that can be purchased through other established purchasing processes.

Credit card statements and supporting receipts may be subject to review by the District's Director of Administration, or Cal-Card Program Administrator.

PROCEDURES

USE OF DISTRICT CREDIT CARDS

The Cal-Card and other District credit cards are a payment mechanism and do not preclude cardholders from adherence to all District procurement regulations, policies, and procedures. The following conditions must be met when using District card cards.

1. Each single purchase may be comprised of multiple items, but the total cannot exceed the single purchase dollar limit assigned.
2. All methods to ensure cost effective purchases must be utilized prior to purchase.
3. Cardholders must follow their Department's administrative procedures to ensure that sufficient appropriations are available prior to making a purchase.
4. The District credit card must not be used for purchases when the cardholder has a personal interest or knowledge which would create a conflict of interest. An example is buying from a relative or close friend.
5. Intentional use of the credit card for other than official District purposes is expressly prohibited, will result in immediate cancellation of your purchasing card, and may result in disciplinary action. Cardholders in violation of this policy will be personally liable to the District for the amount of the purchase.

PROHIBITED USES:

U. S. Bank prohibits the following uses of the Cal-Card Credit Card:

- Financial institution/manual cash
- Financial institution/auto cash
- Financial institution/merchandise
- Non-financial institution/Foreign Currency/Money Order/Travelers Checks
- Security brokers and dealers
- Timeshares
- Fines
- Bail and bond payments
- Wire transfer -- money order
- Dating and escort services
- Massage parlors
- Betting/track/casino/lotto

RESTRICTED USES:

Credit cards may not be used for purchasing services due to the complexity of IRS 1099 reporting requirements. The District has established the following restrictions:

- Personal use
- Ammunition and weapons
- Cash advances
- Fixed asset purchases and capitalized property
- Maintenance contracts and service agreements
- Work on District property by outside contractors
- Splitting of purchases to circumvent the purchasing authority thresholds of either procurement rules or daily card purchase limits

PROCEDURES

A detailed list of cards including cardholder name, card number, expiration date and credit limit shall be kept by the District Director of Administration, or Cal-Card Program Administrator.

The cardholder is responsible for:

1. Security of the CAL-Card
2. Appropriate use of the CAL-Card
3. Compliance with Purchasing Policies and Procedures
4. Reconciliation of CAL-Card
5. Timely submittal (within 5 days of receipt of statement) of Cal-Card reconciliation for payment

The approver is responsible for:

1. Reviewing all charges
2. Ensuring all purchases are appropriate
3. Ensuring no prohibited items have been purchased
4. Ensuring all proper documentation is attached to the CAL-Card Statement Use

TRAVEL EXPENSES:

The CAL-Card may be used to offset approved travel expenses such as rental car, airline tickets, hotel costs and meals within per diem limits (alcoholic beverages strictly prohibited) and fuel if driving a District vehicle.

LOST OR STOLEN CARDS:

Immediately notify U. S. Bank at 1-888-344-5696 (if you are outside the United States call collect to 1-701-461-2010), the Director of Administration, or Cal-Card Program Administrator and Department Manager of a lost or stolen card or if you believe that your account number has been compromised in any way. Please provide the following information: your complete name and card number, the date U. S. Bank Customer Service was notified, and any purchases made on the day the card was lost or stolen.

Under most circumstances, a new card with a new account number will be issued to you within 24 hours. The card will be delivered to the District Director of Administration, or Cal-Card Program Administrator, who will meet with you and give you the new card.

Staff should submit a request for a credit card to the Director of Administration, subject to the approval of the General Manager.

Upon leaving the District's employ, cardholders must return their credit card to the Director of Administration, or Cal-Card Program Administrator.

Approved by Rancho Murieta Community Services District's Board of Directors	December 15, 2021
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Employee Acceptance: By signing this agreement, I hereby represent that I have read, understand, and agree to the District's Distribution and Use of Credit Cards Policy #2021-04.

Date

Signature

Print name here

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