

CITY OF CHESAPEAKE, VIRGINIA

NUMBER: 1.17 (44.3)

ADMINISTRATIVE REGULATION

EFFECTIVE DATE: 06/01/04

SUBJECT: DEPARTMENT OF FINANCE

SUPERCEDES: 02/01/91

CITY CREDIT CARD POLICY AND PROCEDURES

I. PURPOSE

The following policy and procedures are adopted in order to enhance the internal control applicable to the utilization of City credit cards.

II. POLICY AND PROCEDURES

- A. The issuance of a City credit card to a City employee shall be authorized in writing by the City Manager or his designee. This credit card is to be used exclusively for official City business and authorized expenditures. Once the City Manager or his designee has approved the credit card, the individual or department receiving approval must obtain the credit card through the Purchasing and Contracts Manager. This will ensure uniformity in credit cards and billing procedures.
- B. Authorized expenditures shall include meals, entertainment, hotel accommodations, and other expenditures allowable by the Official Travel Regulations (AR 44.2). Authorized expenditures may include non-travel related expenditures, but are governed by II C. and D. below.
- C. Unauthorized expenditures shall include, but not be limited to: personal expenses; cash advances; alcohol related expenses (unless excepted by State law); recreation; lost or stolen articles; damage to personal vehicles or other items; all expenses related to the personal negligence of the employee (such as fines), and religiously affiliated items.
- D. Prudent judgment is expected when making expenditures with a City credit card. Expenditures shall be appropriate for official City business and made in the best interest of the City, with consideration of current economic and budgetary constraints. For expenditures not covered by this policy, good business judgment and professional discretion shall dictate the employee's action.
- E. Noncompliance with City credit card policy and procedures by cardholders is grounds for revocation of card privileges and may be subject to disciplinary action.
- F. Processing credit card statements and receipts for payments must follow the guidelines listed below:
 - 1. Vendor's Invoice Payment Certification form must be approved by the Department Head if a subordinate has utilized the credit card. If the Department

Head is utilizing the credit card, the City Manager or his designee must approve the charges.

2. An original and itemized receipt must be provided for each charge that is reflected on the credit card statement. Missing receipts will delay payments to the credit card company, which could result in interest charges to the City.
3. When the monthly credit card statement is received in the department, the departmental personnel must consider this priority for processing so that finance charges will not be assessed. Once the Vendor's Invoice Payment Certification form is received in the Finance Department, it must be forwarded to the City Manager's office for approval. Therefore, the Finance Department must be allowed extra processing time in order to meet the required payment period.