

CLARENCE FIRE DISTRICT NO. 1

CREDIT CARD POLICY

POLICY STATEMENT:

The use of a credit card by authorized officials of the Clarence Fire District No. 1 may facilitate efficiencies in acquiring goods/services for the Fire District in lieu of other forms of payment. The New York State General Municipal Law authorizes a Fire District to be a party to a credit card arrangement if the Fire District Board has adopted by Resolution a written policy governing the control and use of credit cards. In order to be more efficient with tax dollars, the Board of Fire Commissioners of Clarence Fire District No. 1 deems that it is in the best interest of the Clarence Fire District No. 1 to make certain transactions by use of a credit card, as described in the Law.

POLICY:

1. Use of Credit Card

- A. The credit card shall be used for Fire District purchases only. Cash advances through bank tellers, automated teller machines, or otherwise are prohibited.
- B. The Treasurer is responsible for issuing, accounting for, monitoring, retrieving and generally overseeing compliance with the Credit Card Policy. Any issues will be promptly presented to the Board of Fire Commissioners.
- C. Fire District credit cards shall be used only by a "Designated User" for goods/services for the official business ("Official Use") of the Fire District. The "Designated Users" are the Fire Chief and the Commissioners of the Fire District.
- D. 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 Fire District is prohibited.
- E. Each credit card is to be embossed with the Designated User's name and shall not be lent to any other person. Designated Users 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.
- F. A single purchase may comprise multiple items. Unless previously approved, the total amount of each single purchase may not exceed the limit of \$1,500 or lesser amount as established by the Board of Fire Commissioners. Payments for purchases are not to be split in order to stay within the single purchase limit.
- G. When using the Fire District credit card, the Designated User shall:
 1. Ensure that the goods/services to be purchased are budgeted and approved.
 2. Determine if the intended purchase is within the User's credit limit.
 3. Inform the vendor that the purchase is tax exempt. A tax exempt certificate should be provided or be on file with the vendor. Review receipt to be certain that sales tax was not charged.

CLARENCE FIRE DISTRICT NO. 1

CREDIT CARD POLICY

4. Be responsible for managing any returns or exchanges and ensure that proper credit is received.

2. Documentation, Reconciliation and Payment Procedures

Designated Users shall adhere to the following procedures. Failure to keep adequate receipts or frequent abuse of these procedures will result in cancellation of the Designated User's credit card.

- A. Documentation – The Designated User shall prepare a Fire District voucher and attach the itemized charge receipt to the voucher. The voucher shall then be submitted to the Fire District Treasurer.
- B. Missing Documentation – If the charge receipt is missing for any reason, the Designated User shall complete a Fire District voucher, which shall include vendor name, goods/services purchased, date of purchase, amount and reason that there is no receipt. The voucher shall be submitted to the Fire District Treasurer.
- C. Reconciliation and Payment – The Fire District Treasurer shall compile all vouchers and confirm that the monthly charge bill is correct. The bill will be held for approval by the Board of Fire Commissioners at the next Fire District meeting. The Treasurer shall confirm that the purchase is charged to the correct budget line.

3. Fire District Approval

- A. The Board of Fire Commissioners shall audit the monthly charge statement prior to authorizing payment. Audit shall include that the purchase was for Official Use, was authorized and was in accordance with policies and procedures.
- B. If any purchases are questioned by the Board, the Fire Commissioners shall discuss and resolve with the Designated User. Resolutions for improper use of the credit card will be the responsibility of the Board of Fire Commissioners. Should it be determined by the Board that an unauthorized purchase was knowingly made or that there was inappropriate use, the Board of Fire Commissioners will determine what action will be taken.
- C. The Treasurer shall issue payment upon approval by the Board of Fire Commissioners. If there are any disputed charges, the Treasurer shall follow the procedures so designated by the credit card issuer. Timely resolve of any disputed charges shall be completed by the Treasurer and Designated User and reported back to the Board of Fire Commissioners.

4. Lost or Stolen Credit Cards

- A. It is the responsibility of the Designated User to immediately notify the Treasurer of a lost or stolen credit card.
- B. The Treasurer shall promptly notify the credit card issuer of the theft or loss.

CLARENCE FIRE DISTRICT NO. 1

CREDIT CARD POLICY

C. Failure to follow this procedure will result in action deemed appropriate by the Board of Fire Commissioners.

5. Improper Use

- A. Designated Users who use a Fire District credit card in a manner contrary to this policy shall be subject to disciplinary action, as deemed appropriate by the Board of Fire Commissioners; including but not limited to: verbal counseling, written reprimand, termination of purchasing duties, reimbursement to the Fire District for unauthorized expenditures, suspension, termination or legal action.
- B. To help protect the District from losses resulting from dishonest acts, all Designated Users shall be bonded in the amount of \$10,000.00 at District expense. This shall be included in the District’s annual insurance policy.

6. Audits

In addition to the monthly audit of charges, the Board of Fire Commissioners shall conduct random audits to ensure that all aspects of this policy are maintained and followed.

7. Acceptance

All Designated Users shall review and sign a copy of this policy (below) prior to being issued a Fire District credit card. The signed copy shall be kept in the user’s personnel file.

Designated User’s Signature

Date

Treasurer’s Signature

Date

This policy is adopted August 13, 2012; revision approved December 09, 2013

By order of the Board of Fire Commissioners, Clarence Fire District No. 1