

RESOLUTION R- 3988

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING THE DIRECTOR OF ADMINISTRATION AND FINANCE TO CONTRACT WITH FINANCIAL INSTITUTIONS FOR THE ISSUANCE OF CREDIT CARDS, AND TO ADOPT A POLICY GOVERNING THE DISTRIBUTION AND USE OF CREDIT CARDS.

Whereas, the City of Kirkland is authorized to use credit cards for official government purchases and acquisitions pursuant to the provisions of RCW 39.58.180(1); and

Whereas, the City of Kirkland may contract with a financial institution for the issuance of credit cards under RCW 39.58.180(2);

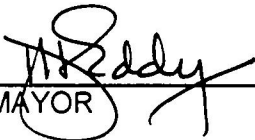
Now, therefore, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The Director of Administration and Finance is hereby authorized to contract with financial institutions for the issuance of credit cards to the City of Kirkland.


Section 2. The Director of Administration and Finance shall set a policy and establish a system governing: (a) the distribution of credit cards; (b) the authorization and control of the use of credit card funds; (c) the credit limit available on the credit cards; (d) payment of the bills; and (e) any other rule necessary to implement or administer the credit card system.

Passed by majority vote of the Kirkland City Council in regular, open meeting this 16th day of January, 1996.

Signed in authentication thereof this 16th day of January, 1996.

  
MAYOR

Attest:

  
City Clerk

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## PROCEDURES FOR USE OF CITY OF KIRKLAND CREDIT CARDS

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### PURPOSE

A City credit card is intended to provide City Councilmembers, the City Manager, Department Heads, and authorized employees with an efficient method to conduct City business when traveling and to provide for the purchase of goods and services when the use of the City's purchasing system is not possible or impractical.

### TYPES OF CARDS

For purposes of this policy, there are two types of credit cards. One is a Departmental Travel Credit Card. The second is a Purchasing Credit Card.

#### 1. Departmental Travel Credit Cards

A travel credit card account will be opened and maintained for the City Council, the City Manager's Office, and each City Department. Unless approved by the Director of Administration and Finance, only one card will be issued for each account.

The use of a Travel Credit Card shall be allowed for the purchases of meals and other necessary travel and subsistence expenses when conducting City business.

As outlined in the City's "Statement of Policy for Reimbursable Expense," local meal expenses must be reasonable and prudent under the circumstances and directly related to the conduct of business or service for the City. Meal expenses are authorized when the expense is essential to the accomplishment of public purpose and scheduling considerations do not reasonably permit the business to be conducted other than during the meal period.

#### 2. Purchasing Credit Cards

A credit card account will be maintained for the use of the Purchasing Section of the Department of Administration and Finance for use in the purchase of goods and services when the use of the City's purchasing system is impractical or not possible. Use of the Purchasing Credit Card must be authorized by the Purchasing Manager or his/her designee.

A stand-by credit card account will be maintained for the use of Public Works for use in the event of an emergency. Use of the Standby Credit Card must be authorized by the Duty Supervisor.

### CREDIT LIMITS

The credit limit on each credit card shall be \$5,000.

## CONTROLS

The City Manager, City Council, and Department Heads will have a travel account and will be responsible for authorizing the use of their card. The Director of Administration and Finance will be responsible for authorizing the issuance of the City Council's Credit Card. The Public Works Standby Supervisor will be responsible for authorizing the issuance of the Public Work's Standby Credit Card. The Purchasing Manager will be responsible for authorizing the issuance of the Purchasing Section's Credit Card.

The City Treasurer will act as custodian of all City credit cards used for travel, when not in authorized use. The City Manager's Credit Card, the Public Works Standby Credit Card, and the Purchasing Section Credit Card will be maintained by their respective custodians.

A Department Head may request their travel credit card be issued to an employee leaving for authorized travel by submitting a completed Credit Card Authorization form to the City Treasurer (sample attached). Upon receipt of the signed Credit Card Authorization form, the City Treasurer will issue the card to the employee. Employees must return the credit card to the City Treasurer immediately upon their return to work. All receipts and accompanying paperwork (as described below in Item 3) must be submitted within five working days after return.

The Public Works Standby Credit Card will be kept under lock and key at the Service Center for use in the event of an emergency. Its use will be authorized by the Standby Supervisor on duty at the time of the emergency. All receipts and accompanying paperwork (as described below in Item 3) must be submitted within one day.

The Purchasing Section Credit Card will be kept under lock and key in the Cashier's safe by the Purchasing Manager for use in the purchase of goods and services for which use of the City's purchasing system is impractical. The Purchasing Manager will issue a Purchasing Credit Card to an employee possessing an authorized requisition worksheet. The employee and the Purchasing Manager will log out the credit card through the use of the Credit Card Authorization form as previously described. The credit card and receipt will be returned to the Purchasing Manager immediately upon return of the employee after purchase. The Purchasing Manager will enter the requisition into the Financial Management System and will authorize the purchase order when generated.

## GENERAL GUIDELINES

1. The use of credit cards for room guarantees and conference registrations will be allowed through the use of the Purchasing Credit Card and will be coordinated with the Purchasing Manager through the use of the above procedure. While traveling, the departmental Travel Credit Card will be used.
2. The City Treasurer will receive all credit card statements, reconcile all credit card transactions to the account statement, and make payment for authorized transactions through the accounts payable system.
3. Payment for charges will not be made without valid supporting documentation. Valid supporting documentation will be the credit card charge slip *and detailed item listing* should none be on the credit card charge slip. Also necessary is an attached Credit Card Payment Authorization form signed by the Department Director, which shows the FMS account number to be charged and includes the nature of the expenditure of City funds.

The travel expenditure documentation must be returned to the Accounts Payable Clerk within 5 days after return.

4. In the event that the credit card slip and other valid documentation is lost, the employee must complete a Certification of Credit Card Charge form. The Certification of Credit Card Charge form and the Credit Card Payment Authorization form will then be sent to Accounts Payable as supporting documentation. Accounts Payable will then request a copy of the sales draft and a detailed invoice showing what was purchased from the credit card company.
5. Should no documentation be received from the employee within the five days after return from travel or within one day following purchase, the City may deduct the amount of the expenditure from the employee's pay as authorized by RCW 42.24.115 or be immediately reimbursed from the employee.
6. Should the charge include unauthorized or improper charges as outlined in RCW 42.24.115, a personal check must accompany the documentation turned into the Accounts Payable clerk. The check shall be made payable to the "City of Kirkland." If the preceding required payment is not received within five days after return or within one day after a purchase, the City may deduct the amount of the expenditure from the employee's pay. This will also include any interest, penalties, or additional charges levied by the credit card company.
7. Personal charges to a City Travel Credit Card are discouraged. In the event personal expenses are made to the travel credit card (e.g. personal telephone calls or personal meals as part of a hotel bill), a check made payable to the "City of Kirkland" must accompany the paperwork as outlined in Item 6 above. Personal charges made to a City Purchasing Credit Card are strictly prohibited.
8. The use of "Cash Advances" with the City credit cards is strictly prohibited.