

CITY OF LAREDO

**CREDIT CARD POLICY
AND PROCEDURES**

City of Laredo

Credit Card Policy and Procedures

I. Purpose

To establish a policy with procedures for the use of City issued credit cards I.e. American Express. Designated City employees will have the ability to charge expenses incurred during official City travel, local business events, subscriptions that do not allow purchase orders or checks, and any meals expenses related to unforeseen emergency situations. The expenses may include but are not limited to airlines, hotels, travel, conference registrations, on-line social media advertisement, hosting external clients and meals for emergency responders of an event.

II. Overview

The City issues a credit card to a designated employee for the efficiency of facilitating certain expenses. The credit card is not intended to substitute the purchasing policy through purchase orders in the normal course of daily operations. Exceptions to this deviation must be pre-approved the City Manager or his/her designee. The City credit cardholder may initiate credit card transactions in person, by telephone, or internet.

Statements will be mailed directly to the credit cardholders' business address on a monthly basis. The credit cardholder will be responsible in ensuring that appropriate budgets are in place on all purchases as well as making necessary transfers to cover expenses if account line items aren't sufficiently funded.

II. Requesting of City Credit Card

The issuance of a credit card to an employee must be approved by the City Manager or his/her designee. The request process begins by completing Attachment "C" of this policy. The Finance Credit Card administrator (Accounts Payable) will initiate the request to the credit card company.

The requestor must sign the Credit Card Acceptance of Policies and Procedures form (Attachment D) acknowledging the policies and procedures for the use of the City issued credit card.

III. Responsibilities of the Cardholder:

1. Cardholder must retain **itemized receipts** of all purchases made on the credit card. The receipts will be attached to the Credit Card Transaction Log (Attachment A). **A receipt presenting only a summary total will not be acceptable. The only exceptions are taxi and gratuity expenses.**
2. Submit Credit Card Transaction Log (Attachment A) no later than 15 working days of credit card statement.
3. If the charge on the credit card was for a trip, an "After Travel Expense Report- Attachment B" must be completed and submitted as part of the Credit Card Transaction Log and the credit card transaction report.
4. If a credit cardholder that receives a cash advance for meal per diem on a trip, the traveler cannot claim the per diem and also have a meal paid for by the credit card. The per diem for that specific quarter must be reimbursed to the City.
5. Cardholder is responsible to charge expenses to appropriate accounting line items.
6. The credit card cannot be used for the purchase of personal items, office supplies, internal meetings, or purchases not related to City expenses.
7. Credit Card holder will reimburse city immediately for any non-business expenses if it were to occur.
8. Any charges for books, annual subscriptions or similar items must be pre-approved by the City Manager's office.
9. The credit card must always been in the possession of the cardholder. If this is not the case, the cardholder will ensure that the card is kept in a secure location.
10. It is the responsibility of the cardholder to contact the credit card company of a lost or stolen credit card.
11. The credit cardholder must advise the Finance Department of the missing or stolen card immediately.
12. When issued a reimbursement or credit through a credit card purchase, the cardholder shall not accept cash credits. Credits for returned merchandise must be credited to the card.
13. Any privilege points that may be accumulated by the card are the sole ownership of the City and redemption will used for city-wide purchases. These purchases are to be approved by the City Manager.
14. Copies of a credit card is strictly prohibited, the sharing of the credit account numbers is also not permitted with the exception of the staff assigned to the safekeeping of the credit card.

IV. Contact Information for lost or stolen cards

Card Issuer: American Express
Phone: 1-800-992-3404

V. Travel Card Transaction Log:

The Credit Card Transaction Log will be used to summarize the expenses that occurred on the Credit Card Transaction Report. The log and the statement must be completed and turned to the Finance Accounts Payable Division no later than 15 days of the credit card statement date. The cardholder will submit to Finance the monthly transaction log (Attachment A) for each credit card purchase by entering the:

- Transaction date
- Merchant name
- Transaction amount
- After Travel Report Number for trip when transaction occurred
- Expense Account Number

The Cardholder, Director, and City Management Office must sign the Credit Card Transaction Log (Attachment A) before it is reviewed by the Finance Department for compliance, reconciliation, and coding of the transactions noted. The Finance Department will sign off on the Credit Card Transaction Log if all compliance issues are satisfied.

Attached to the log, must be all original **detail receipts** of each transaction noted on the credit card transaction log.

If a **detailed receipt** is not obtained for a credit card purchase, the deviation in policy must be explained in detail and may be subject to the removal of City credit card privileges.

VI. Compliance

The Finance Department will reconcile the Credit Card Transaction Log to the After Travel Report (Attachment B). The Finance Department will also review all supporting documentation submitted by the cardholder as well as coding of expenses listed by the cardholder.

The Finance Department will be responsible for:

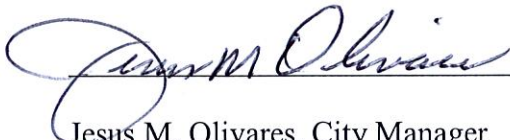
1. Ensure transactions are in compliance with the established travel policies.
2. Reconcile transactions to the After Travel Report (Attachment B).
3. Compare charges on the American Express list of transaction statements against the Credit Card Transaction Log.
4. Immediately report to City Management any incorrect and/or unauthorized purchases.
5. Ensure expense line items on the Credit Card Transaction log include appropriate documentation and information regarding the expense.

6. Report to the respective department any expenses that exceed current budgets and request appropriate corrective action.
7. Report to the City Manager any delays in timely report submissions to the Finance Department.
8. Provide adequate training to the cardholder on the Credit Card Policy for the City of Laredo.

VII. Credit Card Application and Acceptance of Policy

In order to secure a credit card for City transactions, the City Credit Card application form (Attachment C) must be signed by the employee, department director, and City Manager or designee.

Policy Adopted: October 21, 2016



Jesus M. Olivares, City Manager

ATTACHMENT

B

**CITY OF LAREDO
TRAVEL AUTHORIZATION
(PLEASE TYPE OR PRINT)**

| |
|--|
| TRAVEL AUTHORIZATION NUMBER No. 140567 |
|--|

Please allow adequate time by submitting this report at least five days prior to event.

| | | | | | | | |
|-----------------------------|------|----|-----------|----------|----|----------------------------------|------|
| 1. TRAVELER'S NAME: | | | | VENDOR # | | DEPT NAME | |
| DEPARTURE | | AM | RETURNING | AM | | DIV. NAME | |
| 2.a DATE | TIME | PM | 2.b DATE | TIME | PM | BUDGET LINE ITEM: TRAVEL ACCT. | |
| 3. DESTINATION CITY & STATE | | | | | | BUDGET AVAILABILITY? (YES OR NO) | |
| 4. PURPOSE | | | | | | VERIFIED BY | DATE |

| ADVANCE EXPENDITURE | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|------------------------------|----------|-------------------------------|-------------------------------|-----------------|-------------|------------------------------|-----------------|-----------------|-------------|------------------------------|-----------------|-----------------|-------------|------------------------------|-----------------|-----------------|-------------|------------------------------|-----------------|-----------------|-----------------------------------|--|--|--|
| Ⓐ | TRANSPORTATION | \$ _____ | = _____ Miles X _____ (rate) | | | | | | | | | | | | | | | | | | | | | | |
| | MEALS | \$ _____ | = _____ (Qtrs) X _____ (rate) | | | | | | | | | | | | | | | | | | | | | | |
| | LODGING | \$ _____ | | | | | | | | | | | | | | | | | | | | | | | |
| | OTHER | \$ _____ | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL CASH ADVANCE | | \$ _____ | | | | | | | | | | | | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; padding: 5px;">Ⓑ Items to be paid by City</td> <td style="width: 40%; padding: 5px; text-align: center;">SEPARATE CHECKS</td> </tr> <tr> <td style="padding: 5px;">Payee _____</td> <td style="padding: 5px;">DESCRIPTION OF EXPENSE _____</td> </tr> <tr> <td style="padding: 5px;">Amount \$ _____</td> <td style="padding: 5px;">Amount \$ _____</td> </tr> <tr> <td style="padding: 5px;">Payee _____</td> <td style="padding: 5px;">DESCRIPTION OF EXPENSE _____</td> </tr> <tr> <td style="padding: 5px;">Amount \$ _____</td> <td style="padding: 5px;">Amount \$ _____</td> </tr> <tr> <td style="padding: 5px;">Payee _____</td> <td style="padding: 5px;">DESCRIPTION OF EXPENSE _____</td> </tr> <tr> <td style="padding: 5px;">Amount \$ _____</td> <td style="padding: 5px;">Amount \$ _____</td> </tr> <tr> <td style="padding: 5px;">Payee _____</td> <td style="padding: 5px;">DESCRIPTION OF EXPENSE _____</td> </tr> <tr> <td style="padding: 5px;">Amount \$ _____</td> <td style="padding: 5px;">Amount \$ _____</td> </tr> <tr> <td colspan="2" style="text-align: right; padding: 5px;">TOTAL OF SEPARATE CHECKS \$ _____</td> </tr> <tr> <td colspan="2" style="text-align: right; padding: 5px;">Estimate of total cost of trip A + B \$ _____</td> </tr> </table> | | | | Ⓑ Items to be paid by City | SEPARATE CHECKS | Payee _____ | DESCRIPTION OF EXPENSE _____ | Amount \$ _____ | Amount \$ _____ | Payee _____ | DESCRIPTION OF EXPENSE _____ | Amount \$ _____ | Amount \$ _____ | Payee _____ | DESCRIPTION OF EXPENSE _____ | Amount \$ _____ | Amount \$ _____ | Payee _____ | DESCRIPTION OF EXPENSE _____ | Amount \$ _____ | Amount \$ _____ | TOTAL OF SEPARATE CHECKS \$ _____ | | Estimate of total cost of trip A + B \$ _____ | |
| Ⓑ Items to be paid by City | SEPARATE CHECKS | | | | | | | | | | | | | | | | | | | | | | | | |
| Payee _____ | DESCRIPTION OF EXPENSE _____ | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount \$ _____ | Amount \$ _____ | | | | | | | | | | | | | | | | | | | | | | | | |
| Payee _____ | DESCRIPTION OF EXPENSE _____ | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount \$ _____ | Amount \$ _____ | | | | | | | | | | | | | | | | | | | | | | | | |
| Payee _____ | DESCRIPTION OF EXPENSE _____ | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount \$ _____ | Amount \$ _____ | | | | | | | | | | | | | | | | | | | | | | | | |
| Payee _____ | DESCRIPTION OF EXPENSE _____ | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount \$ _____ | Amount \$ _____ | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL OF SEPARATE CHECKS \$ _____ | | | | | | | | | | | | | | | | | | | | | | | | | |
| Estimate of total cost of trip A + B \$ _____ | | | | | | | | | | | | | | | | | | | | | | | | | |

| | |
|--------------------------------|--------------------------------------|
| SUBMITTED BY _____ | (TRAVELER / DATE) |
| PREPARED BY _____ | PRINT NAME _____ TELEPHONE NO. _____ |
| REVIEWED AND APPROVED BY _____ | (DIVISION HEAD / DATE) |
| REVIEWED AND APPROVED BY _____ | DEPARTMENT DIRECTOR / DATE) |

White - A/Payable - Canary - A/Payable - Pink - Dept File - Yellow-Rod - Employee Copy

1. The After Travel Expense Report must be submitted to Accounts Payable Division within 2 weeks from the date of the trip regardless of balance due employee, balance due City, or if exact amount of advance was given.
2. All supporting documents such as receipts must be attached to the After Travel Expense Report to receive final settlement.

ATTACHMENT

B

CITY OF LAREDO

AFTER TRAVEL EXPENSES REPORT

TRAVEL AUTHORIZATION NUMBER

TRAVEL AUTHORIZATION FORM MUST BE ATTACHED TO THIS REPORT

No. 14- 0567

Name _____ Purpose _____

| DATES: | Sun | Mon | Tue | Wed | Thu | Fri | Sat | Totals |
|------------------------|---------------------|-----|-----|-----|-----|-----|-----|--------|
| | No. of miles x Rate | | | | | | | |
| Airfare | | | | | | | | |
| Parking/Tolls | | | | | | | | |
| Auto Rental | | | | | | | | |
| Taxi / Other | | | | | | | | |
| Registration | | | | | | | | |
| Lodging | | | | | | | | |
| Per Diem | | | | | | | | |
| Breakfast | | | | | | | | |
| Lunch | | | | | | | | |
| Dinner | | | | | | | | |
| Tips | | | | | | | | |
| Phone, Fax | | | | | | | | |
| Other ** | | | | | | | | |
| Business Meal** | | | | | | | | |
| Total Per Day | | | | | | | | |

| DETAILED BUSINESS MEALS AND OTHER EXPENSE RECORD** | | | | | | SUMMARY | |
|--|------|---------------------------------------|--------------------------|------------------|--------|------------------------|--|
| Date | Item | Persons Name Business relationship | Place Name & Location | Business Purpose | Amount | TOTAL EXPENSES | |
| | | | | | | LESS CASH ADVANCE | |
| | | | | | | LESS CITY CHARGES | |
| | | | | | | AMOUNT DUE TO EMPLOYEE | |
| | | | | | | AMOUNT DUE TO CITY | |

PREPARED BY _____ DATE _____

REVIEWED & APPROVED BY _____ DATE _____

Budget availability YES _____

NO _____

Traveler's Signature

- 1.) All supporting documents such as receipts must be attached to this After Travel Expenses Report to receive final settlement
- 2.) This After Travel Expenses Report must be submitted to Accounts Payable Division within 2 weeks from the date of trip regardless of balance due employee, balance due City, or if exact amount of advance was given.

**Credit Card Request Form
Attachment C**

| |
|---|
| Requester Name: |
| Department Name: |
| Work Telephone Number: |
| Reason Card Is Requested: |
| Business Address where Statement will be sent: |
| Name as you want it to appear on Credit Card: |
| Requestor Signature: Date: |
| Approval by City Manager: Date: |

**City of Laredo
Acknowledgment of City Credit Card
Policies and Procedures
Attachments D**

I have read and understood the policy detailing the responsibilities of having a City credit card for travel related costs or emergencies on behalf of the City of Laredo. I will provide all documentation needed to account for all transactions that are charged to the credit card. I acknowledge that any violation of policies may relate to disciplinary action and/or removal of the credit card to me the cardholder. If there are any un-reconciled, unauthorized or personal charges upon my departure with the City of Laredo, I authorize for these expenses to be charged against my final payment of hours.

Print Name

Signature

Date