

STATE OF MICHIGAN
COUNTY OF WASHTENAW
AUGUSTA CHARTER TOWNSHIP

CREDIT CARD USE POLICY
RESOLUTION 17-09

At a regular meeting of the Augusta Charter Township Board of Trustees, Washtenaw County, Michigan, held at the Augusta Charter Township Hall, 8021 Talladay Road, Whittaker, MI 48190 on the 8th day of May 2017, at 7:00p.m. the following preamble and resolution was offered by Domas and was supported by Howard:

WHEREAS, Public Act 266 of 1995 authorizes a township to be a party to a credit card arrangement if the township board has adopted by resolution a written policy governing the control and use of credit cards, and

WHEREAS, the Augusta Charter Township Board deems that it is in the best interest of the township to make certain township financial transactions by using a credit card as described in Act 266, now

THEREFORE BE IT RESOLVED, that the following policy shall govern the use of township credit cards:

- A. The township clerk is responsible for issuing, accounting for, monitoring, retrieving and generally overseeing compliance with the township's credit card policy.
- B. Township credit cards may be used only by an officer or employee of the township for the purchase of goods or services for the official business of the township.
- C. The use of credit card is limited to the following credit cards, credit limits and officers or positions, and any additions shall be approved by the Township Board in advance and added to the listing in this Resolution:

| <u>Credit Limit</u> | <u>Authorized User(s)</u> |
|---------------------|---------------------------|
| \$3,000.00 | Fire Chief, Fire Fighters |
| \$2,000.00 | Supervisor |
| \$2,000.00 | Clerk |
| \$2,000.00 | Treasurer |

- D. An authorized officer or employee using a township credit card shall, notify the vendor or merchant that the credit card purchase is tax-exempt for goods and services purchased in the State of Michigan.

The Clerk will provide a copy of the State of Michigan Sales Tax Exemption Certificate to each card holder.

E. Township officers and employees who use a township credit card shall, as soon as possible, submit a copy of the vendor's credit card slip to the township Clerk. If no credit card slip was obtained that described the transaction, the employee shall submit a signed voucher that shows the name of vendor or entity from which goods or services were purchased, the date and the amount of the transaction, the official business that required the transaction, and the chart of account number indicating the line item to which the transaction is to be charged. All credit card slips shall include this information as well. Vouchers shall also include a statement why a credit card slip was not obtained.

F. An official or employee who is issued a credit card is responsible for its protection and custody. If a credit card is lost or stolen, the official or employee who is issued a credit card shall immediately notify the township Clerk. The entity issuing the lost or stolen credit card shall be immediately notified to cancel the card.

G. An officer or employee issued a credit card shall return the credit card to the township Clerk upon termination of his or her employment or service with the township. Persons voluntarily discontinuing employment with the township, persons on sick leave and persons on leave of absence for any reason other than vacation shall also return the credit card to the township Clerk. The township reserves the right to withhold a final payroll check and payout of accrued leave until a township-issued credit card is returned.

H. The Clerk shall maintain a list of all credit cards owned by the township, along with the name of the officer and employee who has been issued the credit card, the credit limit established, the date issued, and the date returned. Each employee shall initial the list beside his or her name to indicate agreement that the credit card has been issued, and that the employee has received and read a copy of this policy.

I. The township Clerk shall review each credit card statement as soon as possible to ensure that transactions comply with this policy. Any transactions that appear on the statements that are not documented with a credit card slip or a signed voucher shall be immediately investigated. Transactions that do not appear to comply with this policy shall be reported to the township board.

J. The township board shall not approve a payment to the entity issuing the credit cards until all transactions have been verified, including the approval of all transaction invoices if issued.

K. The balance, including interest due on an extension of credit under the credit card arrangement, shall be paid for within not more than 60 days of the initial statement date. It shall be paid as an authorized prepay warrant.

L. Officers and employees who use a township credit card in a manner contrary to this policy shall be subject to a review by the Board of Trustees. Employees and appointees may be subject to the following disciplinary actions, as deemed appropriate by the Board: verbal counseling, written reprimand, suspension or termination. Officers will also be subject to Board review and possible termination of credit card privileges and/or legal consequences. All may be subject to reimbursement to the township for

unauthorized expenditures, through payroll deduction and/or adding such amounts to taxable wages, subject to Internal Revenue Service procedures.

M. Township credit cards shall not be established using personal guarantees of township officers or employees.

N. The total combined authorized credit limit of all credit cards issued by the township shall not exceed 5% of the total budget for the current fiscal year.

O. This Resolution shall take immediate effect upon its adoption by the Township Board.

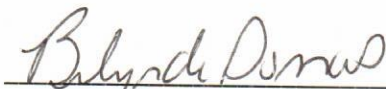
P. The Township Board shall review this policy at least once every four years following the general election for township elected officials.

Q. All prior resolutions and parts of prior resolutions insofar as they conflict with the provisions of this Resolution are hereby rescinded.

Roll Call: AYE: 7 NAY: 0

The Supervisor declared the resolution adopted.

Attested by:



Belynda Domas, Augusta Charter Township Clerk