

# Forty Fort Borough Credit Card Use Policy and Procedures

## 1. Purpose

This policy establishes strict controls governing the usage of Borough credit cards to ensure:

- Protection of public funds
- Compliance with Pennsylvania law and audit standards
- Transparency and accountability in all financial transactions

This policy is intended to meet or exceed best practices recommended by the Pennsylvania Department of Community and Economic Development, and expectations identified in municipal audits conducted by the Pennsylvania Department of the Auditor General.

## 2. Scope and Applicability

This policy applies to all individuals using a Borough credit card, for approved purchases including:

- Borough employees
- Elected officials (including Council Members)
- Appointed board and committee members
- Any other individual authorized by Borough Council

## 3. Authorization and Issuance

- The Borough Manager shall maintain a list of all authorized card users.
- Cardholders must sign a **Credit Card User Agreement** prior to usage.
- A credit limit and single-transaction limit shall be assigned based on operational need.

## 4. Allowable Uses

Credit cards may be used **only for official Borough business**, including:

- Pre-approved travel expenses (lodging, transportation, meals within Borough limits)
- Conference and training registrations
- Emergency purchases when normal procurement procedures are impractical
- Operational purchases that cannot reasonably be processed through purchase orders

All expenditures must be:

- Necessary and reasonable
- Directly related to Borough operations
- In compliance with the Borough Code and procurement policies

## 5. Prohibited Uses

Strictly prohibited uses include:

- Personal purchases of any kind (even with intent to reimburse)
- Cash advances
- Alcohol (unless explicitly approved by Borough Council for official events)
- Gift cards, gift certificates, or cash equivalents without prior Council approval
- Political or campaign-related expenses
- Splitting transactions to avoid bidding or approval thresholds
- Purchases that bypass required purchasing procedures
- Any unlawful or unethical activity

## 6. Pre-Approval Requirements

- All anticipated expenses exceeding **\$250** must receive prior written approval from:
  - Borough Manager (for staff), or
  - Borough Council (for elected officials, board, or committee members)
- Travel must be pre-approved, including estimated costs.

## 7. Documentation Requirements

To comply with audit standards:

- **Itemized receipts are REQUIRED** for all transactions (credit card slips alone are insufficient).

- Each transaction must include:
  - Date of purchase
  - Vendor name
  - Description of items/services
  - Business purpose
  - Names of attendees (for meals, meetings, or events)

Cardholders must submit documentation within **10 business days** of the transaction or statement date.

Failure to provide complete documentation may result in:

- Personal reimbursement requirement
- Suspension of card privileges

## **8. Audit and Oversight**

- All credit card transactions are subject to periodic internal review and external audit.
- Records must be retained in accordance with Pennsylvania municipal record retention requirements.
- Any suspected misuse shall be reported immediately and investigated.

## **9. Lost or Stolen Cards**

Cardholders must:

1. Immediately notify the credit card company
2. Notify the Borough Manager
3. Submit written documentation within 24 hours

## **10. Violations and Enforcement**

Violations of this policy may result in:

- Immediate revocation of credit card privileges
- Mandatory reimbursement of unauthorized expenses
- Disciplinary action (up to termination, if applicable)
- Referral to law enforcement when warranted

## **11. Policy Review**

This policy shall be reviewed annually by Borough Council and updated as necessary to ensure continued compliance.

# Forty Fort Borough Credit Card User Agreement

## Cardholder Information

Name: \_\_\_\_\_

Title/Role: \_\_\_\_\_

Department/Board: \_\_\_\_\_

## Acknowledgment and Agreement

I acknowledge that I have received, read, and understand the **Forty Fort Borough Credit Card Use Policy and Procedures**. I agree to the following:

1. I will use the credit card **only for authorized Borough business**.
2. I will not use the card for personal expenses under any circumstances.
3. I will submit all required documentation, including itemized receipts and business purposes, within the required timeframe.
4. I understand that missing or incomplete documentation may require me to reimburse the Borough.
5. I will safeguard the credit card and immediately report any loss or unauthorized use.
6. I understand that misuse of the card may result in disciplinary action, repayment obligations, and possible legal action.
7. I agree to comply with all Borough purchasing policies and applicable laws.

## Certification

I certify that I understand my responsibilities and agree to comply fully with this policy.

Card User Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Authorization

Approved By (Borough Manager): \_\_\_\_\_

Date: \_\_\_\_\_