

FINANCIAL
Credit Card r.2

- I. **STATEMENT** The Red Jacket Community Library (Library) recognizes that credit cards provide an efficient and alternative means of payment for approved expenses and may facilitate Library purchases.
- II. **PURPOSE** This policy establishes guidelines and restrictions for the authorized use of Library credit cards and charge accounts.
- III. **POLICY**
 - A. **AUTHORIZED USE OF CREDIT**
 1. The Director shall recommend to the Board of Trustees the need to establish a credit card account or a charge account with a local business or Library vendor.
 2. The Board of Trustees has sole discretion to authorize the Director to open any credit card account or charge account.
 - a. The maximum credit limit on each credit card or charge account shall be identified at the time it is authorized.
 - b. Credit cards will be established in the name of the Red Jacket Community Library.
 - i. Authorized usernames will be added as sub users of the primary account.
 - ii. The number of authorized users and details specific to each credit card is based on guidelines specific to each card issuer and shall be identified at the time each credit card is authorized for use.
 3. The Director must update the Board of Trustees with a master list of all credit cards and charge accounts prior to annual review of the procurement policy.
 4. The Director must notify the Board of Trustees when existing accounts are no longer needed, to be closed or canceled.
 - B. **RESTRICTED USE OF CREDIT CARDS AND CHARGE ACCOUNTS**
 1. Credit card purchases must be for official Library use and benefit.
 2. Credit cards shall not be used for cash advances.
 3. Only employees authorized to make purchases of goods or services, as identified in the Procurement Policy, may use a Library credit card or charge account.
 - a. Employees authorized to use Library credit cards or charge accounts must sign an acknowledgement form recognizing their responsibility to comply with this policy and established procedures.
 4. Staff engaging in abuse of a Library authorized credit card will be responsible to reimburse the Library for any unauthorized expenditures and may be subject to disciplinary action up to and including termination of employment.
 - a. Use of a Library authorized credit card for personal expenses, including personal items, alcohol, tobacco, or recreational substances, is prohibited and constitutes an abuse of the credit card.

- b. Use of a Library authorized credit card for expenditures that exceed the authorized credit limit is prohibited and constitutes an abuse of the credit card.

C. CASH BACK OR REWARDS

- 1. Any cash or other rewards earned or accrued as the result of credit card use shall be the sole property of the Library for the sole benefit of the Library.
- 2. Any cash back or rewards may not be used by individuals for personal use.
- 3. The Treasurer will report to the Library Board of Trustees regarding all cash back or rewards received by the Library on an annual basis.

D. SAFEGUARDING CREDIT CARDS AND ACCOUNTS

- 1. The credit card(s), when not in use, shall be locked in the library safe.
- 2. Credit card use must be carefully monitored to prevent the possibility of fraud or abuse in accordance with established procedures, internal controls, and other Library policies, including Whistleblower Policy, Library Treasurer Policy, Procurement Policy, and Claims Audit and Payment of Bills Policy.

IV. REFERENCES

- A. Office of the New York State Comptroller (2016). Cost-Saving Ideas: Credit Card Accountability - Minimizing the Risk of Error, Misuse and Fraud <https://www.osc.state.ny.us/local-government/publications/cost-saving-ideas-credit-card-accountability-minimizing-risk-error-misuse-and-fraud>. Accessed 9 July 2023.

Revision History	