

RESOLUTION 01-19
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RUNNING
SPRINGS WATER DISTRICT
AMENDING THE DISTRICT CREDIT CARD POLICY


WHEREAS, on July 16, 2008 the District Board of Directors adopted a District Credit Card Policy (Policy) and

WHEREAS, the District Board of Directors has determined that the Policy section *Authorized Positions* needs to be amended; and


WHEREAS, a revised version of the Policy has been prepared that includes the required amendments;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Running Springs Water District the District hereby adopts an amended Running Springs Water District Credit Card Policy, attached hereto and made a part hereof.

ADOPTED this 22nd day of January, 2019.


Vice-President, Board of Directors
Running Springs Water District

ATTEST


Secretary, Board of Directors
Running Springs Water District



RUNNING SPRINGS WATER DISTRICT

CREDIT CARD POLICY

Purpose

In order to facilitate best business practices, the following policy sets forth instructions for making credit card purchases for the Running Springs Water District (District). This policy offers guiding principles, but it remains the responsibility of anyone authorized to purchase goods and supplies to maintain the highest level of integrity and stewardship of District funds.

Authorized Positions

Issuance of District credit cards will be limited to the absolute minimum necessary to conduct business. With that understanding, individuals in the following District positions may be issued District Credit Cards:

- General Manager
- Administration Supervisor
- Fire Chief
- Battalion Chief
- Captains
- Engineers, Serving as Shift Supervisor (as Designated by Fire Chief)
- Water Division Supervisor
- Wastewater Division Supervisor

Authorized Conditions of Use

Individuals in the above identified positions are authorized to make purchases with the District credit cards issued in their name under the following conditions:

1. ***District Credit Card.*** A credit card may be issued to employees of Running Springs Water District in the above identified positions for the purpose of making authorized purchases on the District's behalf.
2. ***Credit Card Location.*** Credit cards will be secured and checked out only when needed for a specific needed purpose or assignment. The General Manager or the employee's department head, as appropriate, will authorize credit card check out.
3. ***Transaction/Charge Limit.*** A dollar limitation of purchasing authority assigned to the cardholder for each total charge made with the District credit card must not exceed \$2,000 for all purchases, with the following exceptions:
 - Transportation costs which have been pre-approved, and

- The Administration Supervisor's card, which is generally used for normal District Purchases, shall have a limit set at \$5,000.

The bank authorized limit for purchasing on all District credit cards will be the combined total of all issued cards (\$5,000 for the Administration Supervisor card plus \$2,000 for each additionally issued card), Increases to credit limits, if necessary, must be approved by the General Manager. Lower limits may be assigned to specific cardholders, as determined by the General Manager.

- 4. Credit Card Use.** The authorized users may use District credit cards for authorized regular purposes, subject to the constraints of District purchasing policies. Credit cards will only be used when credit card use is an expeditious and appropriate method for making a purchase. Other authorized positions may use credit cards only for specific designated purposes as authorized by the General Manager or the cardholder's Department Head. Credit cards will be monitored to mitigate excessive card use which increases liability for the District as well as for the Department Heads who oversee department budgets.
- 5. General Prohibited Use.** District credit cards are not to be used for the following:
 - Items or services for Personal Use
 - Items or services not related to District Business
 - Alcoholic Beverages
 - Cash Advances
 - Entertainment
 - Recreation
 - Motorized vehicles i.e. golf carts, mopeds
 - Contracting
 - Financial Services
 - Any purchases prohibited by District policy
- 6. Consequence of Unauthorized Use.** A cardholder who makes an unauthorized purchase with the District credit card, as defined in this policy, or otherwise uses the District credit card in an inappropriate manner, will be subject to disciplinary action, including but not limited to: card cancellation, suspension without pay, termination of employment, and criminal prosecution.
- 7. Returned Purchases.** If merchandise is returned for credit or exchange, the cardholder is responsible for obtaining a credit/exchange receipt from the merchant and retaining that receipt with the support documentation for that purchase. Receiving cash or checks from the vendor to resolve a credit is prohibited.
- 8. Cardholder Accountability.** Cardholders are accountable for all charges made with their District credit cards and are responsible for checking all transactions against the corresponding support documentation to verify their accuracy and propriety. Card holders must not allow another individual to use their card.

- 9. *Processing Credit Card Statements.*** The Administration Supervisor or an accounts payable designee will forward statements to departments each month specifying the due date for return to that office. After all transactions have been checked, all support documentation must be returned to accounts payable, in an organized manner, by the date specified, in order to avoid finance charges to the District. All receipts must be attached neatly to the documentation with descriptions detailing the business purpose with the proper approvals. If all receipts are not received by the date specified, resulting in a late charge to the District, the late charge will be assessed to the department budget. Additionally, all receipts will be signed by the Department Head and an account number will be assigned to each expense.
- 10. *Receipt / Documentation Responsibility.*** It is the cardholder's responsibility to obtain all receipts. Documentation sent to the Administration Supervisor without the proper receipts attached will be sent back to the department for attachment of missing receipts.
- 11. *Safeguarding Credit Cards.*** It is the cardholder's responsibility to safeguard the District credit card and District credit card account number at all times.
- 12. *Issuance and Cancellation of Credit Card.*** The Administration Supervisor, with the approval of the General Manager, is responsible for issuing credit cards to individuals in authorized positions. Cardholders, who transfer to a new position and require the use of a District credit card as part of their new duties, should continue to use the same card. Cardholders who no longer require a District credit card in their new position must cancel their card through the Administration Supervisor.
- 13. *Surrendering Credit Card Upon Separation.*** Prior to separation from the District, cardholders must surrender their District credit cards and corresponding support documentation to the Administration Supervisor.