

Rock Island Township **Credit Card Policies and Procedures**

This Policy shall govern the use of the Rock Island Township credit card (called the "Card"). The Township Supervisor and Town Board shall be responsible for overseeing compliance with the terms of this Policy. It is intended to ensure proper controls for use of the Card and assure transparency regarding Township purchases and expenditures.

Section One – Parties Authorized to Use the Card

1. Only the Township Supervisor is authorized to use the Card to make purchases on behalf of the Town (hereinafter referred to as "User").
2. The Supervisor must comply with the provisions set forth in this Policy or he may be subject to the disciplinary action set out in Section 10 of this Policy.

Section Two – Authorized Purchases

1. Card may only be used by the Supervisor to make purchases that are lawfully made on behalf of the Township. All other expenditures, purchases, charges, or transactions made against the account, or any that exceeds the spending limits imposed herein are expressly prohibited (collectively an "Unauthorized Purchase;" see Section Three). For the purposes of this Policy, only the following types of purchases shall be considered "Authorized Purchases":
 - a. Those individual or specific types of purchases the Town Board has preauthorized the Supervisor to make by vote at a Town Board meeting. The preauthorization may be limited as the Town Board deems appropriate and must be as specific as possible in order to give the Supervisor sufficient direction regarding the scope of the authorization;
 - b. Purchases of goods and services consistent with the approved Town Budget for which use of the Card is the most efficient means to accomplish said purchase;
 - c. Purchases on behalf of the Assessor that are in conformance with the approved Town Budget; and
 - d. Costs associated with registering for and attending Town Board approved out-of-town training sessions, including costs of lodging reasonably necessary to enable the Supervisor and others (elected officials and / or staff) to attend the training.
2. The Supervisor shall be personally responsible for any Unauthorized Purchases (Section Three) and may be subject to disciplinary action by the Town Board as indicated in Section 10 of this Policy.

Section Three – Prohibited and Unauthorized Purchases

1. The Card may not be used for the following purposes or purchases:
 - a. Purchasing items greater than the established maximum limits of the Card;
 - b. Purchasing items for personal use or a personal loan;
 - c. Cash advances;
 - d. Loaning the card out to another person;
 - e. Serial Purchases (series of small dollar purchases in order to avoid the single purchase limit);
 - f. Alcoholic beverages / tobacco products;
 - g. Controlled substances.

Section Four – Spending Limits

1. The spending limits shall apply to the use of the Card and be determined and approved by the Supervisor and Town Board after evaluating anticipated purchases. It shall be the responsibility of the Supervisor to monitor the amounts charged against the Card so that any purchases made do not cause the spending limits to be exceeded.
2. The credit limit may be increased by action of the Supervisor and Town Board.

Section Five – Sales Tax

1. The User should remind all vendors of the Town of Rock Island's tax exempt status. The User must review all receipts for each purchase to ensure sales tax has not been assessed.
2. If the vendor refuses to deduct the sales tax, the purchase may be made, including the sales tax.
3. The Card itself should be sufficient identification to allow tax-free purchases. However there are vendors who will require a standard form to be completed, or provide a tax exempt form.
4. If sales tax has been charged to a purchase, the User should make a note on the receipt and contact the vendor to reverse the sales tax charge and to establish a tax exempt status with said vendor.

Section Six – Receipts

1. A receipt shall be obtained for all Authorized Purchases made with the Card. The receipt shall include:
 - a. The name of the vendor or entity from which goods or services were purchased; and
 - b. The date and the amount of the transaction.

2. If a receipt cannot be obtained, the Supervisor shall submit a signed voucher, on a Town Board approved form, which includes the following:
 - a. A description of the transaction;
 - b. The name of the vendor or entity from which goods or services were purchased;
 - c. The date and the amount of the transaction;
 - d. A description of the purpose of the expenditure; and
 - e. A statement that the transaction had been previously authorized by the Town Board.
3. All receipts shall be reviewed and approved by the Supervisor, including budget coding, and forwarded to the Bookkeeper / Case Worker for payment. The Bookkeeper / Case Worker shall review the receipts and credit card statement to assure they are properly presented for payment.
4. Failure to submit a claim form or to procure and provide a receipt or voucher for all expenditures made using the Card may result in disciplinary action as set forth in Section 10 of this Policy.

Section Seven – Review of Credit Statements

1. At each of its regular monthly meetings the Town Board shall review the previous month's Card statement to ensure that all purchases made with the Card were in conformance with this Policy.
2. Transactions that are not supported by a receipt or voucher, appear to be an Unauthorized Purchase, or that otherwise do not comply with this Policy shall be immediately investigated. The Supervisor shall not be authorized to make any further expenditures on the Card until the investigation is complete and all expenditures appearing on the statement have been verified as complying with the terms of this Policy.

Section Eight – Payment of Card Balance

1. The balance shall be paid off in its entirety on or before the due date specified on the monthly statement.

Section Nine – Lost or Stolen Card

1. If the Card is lost or stolen, the Supervisor shall notify the Town Clerk immediately and the Town Clerk shall notify the Town Board.
2. Once notified, the Town Clerk will immediately cancel the Card or work with the credit card company and financial institution to take other appropriate action as needed to protect the Town. If the Supervisor cannot reach the Town Clerk immediately, the Supervisor shall immediately take steps to report the lost or stolen Card to the credit card company.

Section Ten – Penalty / Disciplinary Provisions

1. If the Supervisor makes an Unauthorized Purchase or otherwise violates this Policy, he or she shall be subject to one or more of the following disciplinary actions, as deemed appropriate by the Town Board:
 - a. Written reprimand;
 - b. Suspension from use of the Card for a time to be decided by the Town Board;
 - c. Reimbursement for all Unauthorized Purchases;
 - d. Any civil actions that may be available to the Town to make itself whole for any Unauthorized Purchases; or
 - e. Any and all criminal sanctions which may be applicable.

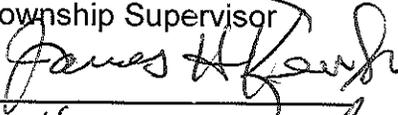
Section Eleven – Custody of the Card

1. The Supervisor shall be issued a Card in his or her name. The Supervisor is responsible for the proper use and safekeeping of his or her Card. The Supervisor shall, upon termination of his or her position with the Township, immediately surrender the Card to the Town Clerk. The Town Clerk shall immediately destroy the surrendered Card and report the destruction of the Card to the Town Board at its next meeting. Despite the termination of his or her position, the Supervisor shall remain responsible for all Unauthorized Purchases he or she made.

Adopted this 25th day of August

BY THE ROCK ISLAND TOWN BOARD

Attest: 
Town Clerk


Township Supervisor

Trustee

Trustee

Trustee

Trustee