



TOWN OF ERVING

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Policy

CREDIT CARD PURCHASING POLICY

Approved: _____

Selectboard Chair, Jacob A. Smith

Date: 11-2-2020

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.01 Issue Date / Effective Date

This policy is issued on November 02, 2020, with an effective date of November 02, 2020.

.02 Purpose

The Town recognizes that there are occasions that the use of purchasing with credit cards is advantageous. With that understanding, the use of credit cards should be used as a purchasing option when no other reasonable purchasing option is available. Limited credit cards may be issued to department heads, with the following stipulations, at the discretion of the Treasurer or Town Administrator:

- I. Employee must have a repetitive need for materials not available on current vendor accounts and for which the option to establish a vendor account is not available.
- II. Employee must have a repetitive need for materials or services valued at more than \$50.

.03 Request Process

- a) Employee must sign a declared responsibility contract including the following information:
 - I. Employee must be a department head and employed - elected or appointed - for at least 6-months.
 - II. Credit card limit will be \$2,000 for department heads and one (1) card \$5,000 for emergency purposes, or the amount available in your account, whichever is less.

.04 Purchasing Procedures

- I. Use of the credit card is strictly for Town purchases only. Under no circumstances may personal expenses be charged regardless of reimbursement.
- II. Employee must be certain that appropriate funds are available in their assigned accounts and that the MGL procurement act (Chapter 30B) is followed.
- III. All Town expenses are tax exempt. Employee must present a copy of the Town's exemption form at the time of purchase. Any inadvertent tax charges must be paid personally by the responsible Employee. Such payments will be made payable to the credit card vendor (via check) and given to the Treasurer to be mailed with the timely bill payment.
- IV. Original receipts must be submitted to the Town Administrator's Office within seven (7) days of purchase. Employee must assign an account number and sign the receipt.
- V. The Town Administrator's Office will submit the invoice for timely payment using the declared account and notify the user of the payment.
- VI. Any expenditures or charge overages not approved by the Select Board when submitted by warrant, are the **sole and personal responsibility** of the Employee. Failure to cover these expenses will result in legal action. Payment for unapproved items will be made to the credit vendor (via a check) and given to the Treasurer to be mailed with the timely invoice payment.

.05 Limitations

- I. The Employee may not allow any other individual to use their card for any reason.
- II. Any abuse or negligence on the Employee's part will result in immediate notification and termination of the credit card.
- III. The Employee must notify the Treasurer and Town Administrator immediately and return the card when separated from service.
- IV. Any charges made by the Employee after the separation date will be the responsibility of the individual.

Credit Card Request & Authorization Contract

Employee Name: _____ Position: _____
Employment Date: _____ Request Date: _____

Employee Statements & Acknowledgements

1. I will be certain that appropriate funds are available in their assigned accounts. I will be personally responsible for any expenses not approved by the Select Board when submitted by warrant. Payment of unapproved expenses will be made to the credit agency and delivered to the Treasurer promptly.
2. I have been employed, elected or appointed for at least 6 months.
3. Credit card limit will be \$2,000 for department heads or the amount of my budget, whichever is less.
4. I have a repetitive need for materials or services valued at more than \$50.
5. I have a repetitive need for materials not available on current vendor accounts.
6. I understand that all Town expenses are tax exempt. I will present a copy of the Town's tax exemption form at the time of purchase. I will pay any inadvertent tax charges. Such payments will be made payable to the credit agency (via a check) and given to the Treasurer to be mailed with the timely bill payment.
7. I will notify the Town Administrator immediately and return the card when I am separated from service. No charges will be made after this separation date.
8. I will not allow any other individual to use my card for any reason.
9. I understand any abuse or negligence on my part will result in immediate cancellation of the credit card by the Treasurer.
10. I will submit original receipts to the Town Administrator's Office within 7 days of purchase. I will assign an account number and sign the receipts.
11. I understand the Town Administrator's Office will submit the invoice for timely payment using the declared account and notify the user of the payment.

By signing below, I confirm my understanding and agreement with the above statements.
Signed under the pains and penalty of perjury:

Employee Signature

Date

Office Use Only		<input type="checkbox"/> Approved	
		<input type="checkbox"/> Declined	
		Signature	Date
Credit Card Agency:	_____	Credit Limit	_____
Last 4 of Card #	_____	Issued Date	_____
		Expire Date	_____