

Allegan District Library Credit Card Policy

Purpose

The purpose of the Credit Card Policy is to facilitate purchases for the Library. A credit card will be issued from a financial institution approved by the Budget & Finance Committee, and following all applicable and current financial policies. The Treasurer's signature may be required by the issuing financial institution.

Rules for Use

1. The Library Director will be responsible for the issuance of any Library credit cards, monitoring of accounts, and for overseeing compliance with this policy.
2. An itemized account of expenditures on the credit card will appear in every regular meeting's board packet.
3. Documentation detailing each purchase must be submitted, and the Director is responsible for reviewing purchases in a regular manner.
4. The balance due on the credit card account will be paid within the balance period indicated on the statement. Any authorized debt due to late payments, etc. are the responsibility of the Library.
5. Only the Library Director and those employees designated by the Director may use the credit card to purchase goods and services needed for official Library business.
6. Unauthorized use of the Library credit card will be disciplined up to and including termination, and may include measures consistent with current law for unauthorized use.
7. The credit card is to be kept at the library, not on any person for an extended period of time, unless approved by the Library Director (such as conferences, etc.).
8. The Library Director is responsible for the protection of the credit card, and will immediately notify the issuing financial institution of any losses or fraudulent charges on the card.
9. Any and all benefits derived from use of the credit card (points, rewards, etc.) are the property of the Library, and the Library Director is responsible for approving their use.
10. The Library will make all efforts to obtain a credit card that has no annual or monthly fees.

Internal Controls

1. The Library Director is responsible for reviewing and approving all purchases made with the Library credit card.
2. Any purchases made by the Library Director must also be approved by a second person, such as the Assistant Director.

3. The Administrative Assistant is responsible for compiling all purchasing documentation and reconciling it with the monthly credit card statement. A packet is then created which is given to the bookkeeper.
4. The library retains the services of a bookkeeper; it is the bookkeeper's responsibility to review the credit card documentation packet for accuracy. An itemized account is created which is included in every regular meeting board packet.
5. The bookkeeper will notify the Library Director of any inconsistencies, fees, and/or finance charges.
6. The bookkeeper will retain the approved credit card statement and documentation packet for seven years, in accordance with the approved retention plan.

Tax Exemption

The library is a tax exempt entity; a good faith effort will be made to ensure each purchase is tax exempt, using whichever appropriate method used by the vendor. Documentation is available if required.

Review

This policy will be reviewed by the Budget and Finance Committee every three years.