

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Category:	Financial	Policy # 2021-04
Title:	Distribution and Use of District Credit Cards	

PURPOSE

This policy is intended to provide direction to District staff regarding the use of District-issued credit cards, including direction regarding the misuse of such credit cards, both to protect the assets of the District and to protect the District's credit.

BASIC POLICY AND OBJECTIVES

Credit cards will be issued to employees as designated by the General Manager. The CAL-Card is a credit card issued by U.S. Bank in the name of the cardholder and billed to the District. U. S. Bank does not conduct a credit check on an employee's personal credit history before issuing a CAL-card. Issued CAL-cards will remain the sole property of the District and will be issued in the names of both the authorized employee and the District. CAL-cards may be used only for approved and/or budgeted District business expenditures and only by the employee to whom the credit card is issued. CAL-Cards may not be used for the payment for services, due to the complexity of IRS 1099 reporting requirements. Employees shall not give a CAL-card issued in their name to any other employee, contractor or non-employee/person for any reason, including to make purchases.

CAL-card spending limits may differ from employee to employee depending on the employee's purchasing responsibility. Maximum single-purchase limits and maximum monthly limits are set for each CAL-card by the Director of Administration pursuant to the District's Purchasing Code. The timeframe for a monthly limit is the 30-day billing cycle.

All purchases made using a CAL-card must be substantiated. For every purchase or charge, an employee shall retain and submit a receipt. Purchases and charges made with a CAL-card that cannot be substantiated with receipts may result in loss of CAL-card privileges. A CAL-Card may never be used for personal purchases or charges. Misuse of a CAL-card for any personal expenses is grounds for disciplinary action, including loss of all credit card privileges, as well as possible termination of employment. In addition, the employee who uses as CAL-Card for any personal expenses will be required to immediately reimburse the District.

CAL-Cards are not to be used to circumvent other established purchasing procedures. CAL-Cards are not to be used to purchase materials, supplies and services that can be purchased through other established purchasing processes.

CAL-card statements and supporting receipts may be subject to review by the District's Director of Administration, or Cal-Card Program Administrator.

PROCEDURES

USE OF DISTRICT CREDIT CARDS

The Cal-Card and other District credit cards are payment mechanisms and do not preclude employee cardholders from adherence to all District procurement regulations, policies and procedures. The following conditions must be met when using a CAL-card:

1. A single purchase transaction may be comprised of multiple items, but the total purchase amount cannot exceed the single purchase dollar limit assigned to the cardholder
2. All methods to ensure cost effective purchases must be utilized prior to purchase.
3. Cardholders must follow their Department's administrative procedures to ensure that sufficient appropriations are available prior to making a purchase.
4. Government Code 1090 prohibits District employees from having a personal financial interest in any contract made by them in their capacity as District employees. To ensure that District employees do not unknowingly violate Gov. Code 1090 through use of a CAL-Card, it is the District's policy that the CAL-Card not be used for any purchases or charges when the cardholder has a personal interest, familial relationship, or other close connection to the vendor from whom the purchase or charge is made. An example is using a CAL-card to make a purchase from a relative or close friend.
5. Intentional misuse of the CAL-card for any reason other than official District purposes is expressly prohibited, will result in immediate cancellation of an employee's CAL-card and purchasing privileges, and may result in disciplinary action. Cardholders in violation of this policy will be personally liable to the District for the amount of the purchase.

PROHIBITED USES:

U. S. Bank prohibits the following uses of the Cal-Card Credit Card:

- Financial institution/manual cash
- Financial institution/auto cash
- Financial institution/merchandise
- Non-financial institution/Purchase of Foreign Currency/Money Order/Travelers Checks
- Security brokers and dealers
- Timeshares
- Fines
- Bail and bond payments
- Wire transfer -- money order
- Dating and escort services
- Massage parlors
- Betting/track/casino/lotto

The District has established the following additional prohibitions on the use of CAL-Cards:

- Personal use
- Ammunition and weapons
- Cash advances
- Fixed asset purchases and capitalized property
- Maintenance contracts and service agreements
- Work on District property by outside contractors
- Splitting of purchases to circumvent the purchasing authority thresholds of either procurement rules or daily card purchase limits

PROCEDURES

A detailed list of all issued CAL-cards shall be maintained by the District Director of Administration, or the Cal-Card Program Administrator, and shall include cardholder name, card number, expiration date and credit limit.

The cardholder is responsible for:

1. Security of the CAL-Card
2. Appropriate use of the CAL-Card
3. Compliance with established District Purchasing Policies and Procedures
4. Reconciliation of CAL-Card
5. Timely submittal (within 5 days of receipt of statement) of Cal-Card reconciliation for payment

The approver is responsible for:

1. Reviewing all charges
2. Ensuring all purchases are appropriate
3. Ensuring no prohibited items have been purchased
4. Ensuring all proper documentation is attached to the CAL-Card Statement Use

TRAVEL EXPENSES:

The CAL-Card may be used to offset approved travel expenses such as rental car, airline tickets, hotel costs and meals within per diem limits (alcoholic beverages strictly prohibited) and fuel if driving a District vehicle.

LOST OR STOLEN CARDS:

Immediately notify U. S. Bank at 1-888-344-5696 (if you are outside the United States call collect to 1-701-461-2010), the Director of Administration, or Cal-Card Program Administrator and Department Manager of a lost or stolen card or if you believe that your account number has been compromised in any way. Please provide the following information: your complete name and card number, the date U. S. Bank Customer Service was notified and any purchases made on the day the card was lost or stolen.

Under most circumstances, a new card with a new account number will be issued to you within 24 hours. The card will be delivered to the District Director of Administration, or Cal-Card Program Administrator, who will meet with you and give you the new card.

Staff should submit a request for a credit card to the Director of Administration, subject to the approval of the General Manager.

Upon leaving the District's employ, cardholders must return their credit card to the Director of Administration, or Cal-Card Program Administrator.

Approved by Rancho Murieta Community Services District's Board of Directors	
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Employee Acceptance: By signing this agreement, I hereby represent that I have read, understand, and agree to the District's Distribution and Use of Credit Cards Policy #2021-04.

Date

Signature

Print name here

Approved by Rancho Murieta Community Services District's Board of Directors	
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