

## Title: Use of Business Credit Cards

Effective Date: 2/19/18

Authorized By: Library Board of Trustees

Date of Last Revision: 5/15/24

### **Purpose**

The Huntington City-Township Public Library will maintain a business credit card account to expedite the purchase of materials and for travel and meeting expenses. Library credit cards will be used only for purposes related to the business of the library.

A credit card may be used for:

- Library related travel expenses such as lodging, meals, registrations, fees or reasonable gratuity where service has been provided
- Material purchases for library use

### **Card Distribution**

The Library Director will hold one card in their permanent possession. All other cards will be kept in the Business Manager's office.

Use should be restricted to Assistant Directors, Supervisors and Librarians. Others may sign out the credit card only with the approval of the Assistant Director or Director.

Library credit cards must be signed out by the employee who will be making purchases. Cards may only be signed out to employees by the Business Manager or Library Director. The Business Manager or Director may provide permission by phone for an Assistant Director to distribute the cards. Employees must plan ahead to ensure that they will be able to get the card when they need it. By signing for the card, employees are agreeing to all of the terms outlined in this policy.

### **Responsibilities of the Cardholder**

The employee who is using the credit card is expected to do the following:

- Ensure that the card is kept in a safe location
- Keep the card information secure
- Limit exposure to potential fraud or misuse
- Ensure that the credit card is not used by anyone other than the employee
- Return the card, along with documentation of all use, to the Business Manager or Director

### **Tax Exempt Status**

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As a government organization, Huntington City-Township Public Library is exempt from all sales tax. All purchases made on the credit card must have the taxes exempted. In most cases this requires a tax exempt form. The Business Manager or Director can provide a copy of that form on request. The Library maintains tax exempt accounts with many vendors and stores. Limited exceptions to this rule may be made for companies that provide a unique product, significant savings, or other benefit but do not allow tax exemption.

### Documentation of Purchases

All purchases made on the credit card must be supported by appropriate documentation. This documentation will usually be in the form of a receipt. Receipts should be as detailed as possible. Receipts must be turned in to the Business Manager as soon as possible after the purchase is made. The purchaser should initial the receipt; note what the purchase was for, and note the account that should be used to fund the purchase. All purchases must be documented before they are paid on the credit card account.

### Returns and Credits

Any credit for the return of material or any other credit must be returned directly to the credit card account. Employees may never receive cash or gift cards for returns or credits.

### Prohibited Uses

Library credit cards may not be used for the following:

- Cash advances, bank checks, electronic transfers
- Personal expenses
- When purchasing meals, alcohol may not be paid with library funds
- Charitable or political contributions

Any prohibited charges made in error must be immediately reimbursed by the employee to the library, including any associated fees. Failure to reimburse these charges will result in termination of employment. The employee may elect to have the reimbursement processed directly from their payroll. Repeated incidents of misuse of the credit card will be subject to discipline up to, and including, termination.

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Any employee who is found to be in violation of any of the policies may lose the right to use the credit card.

Additional information regarding standards for credit card use can be found in the Internal Control Standards document.

This policy will replace and supersede the *Resolution for the Library Use of Credit Cards* approved by the Board of Trustees on August 17<sup>th</sup>, 2015.