



TOWN OF HOMER *CREDIT CARDS*

*Council Members: Linda Hardaway-District I • Johnny West -District II • Keldron Johnson-District III
11 Brandon Rich -District IV • Patricia Jenkins -District V*

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TOWN OF HOMER

**DR. XANTHE SEALS
MAYOR**

**400 East Main, Homer, LA 71040
(318) 927-3555, Fax (318) 927-3399
www.townofhomer.com**

**CREDIT CARDS
POLICY**

Credit card accounts require Board approval and are only for the official business of the municipality.

There are generally two types of credit card accounts: (1) general (e.g., VISA, MasterCard etc.) and (2) stores (e.g. Wal-Mart. etc.)

Credit cards must be placed under strict control and be available for use in limited cases as set forth by the Board. Credit cards are not to be used for purchases that are subject to the requirements of the Louisiana Public Bid Law.

Applying for a Credit Card

- The card must be issued in the municipality's name using the municipality's tax identification number
- The credit card must not allow cash advances to be made.

Security

- The town clerk and town treasurer are to maintain a listing of all credit cards including the card numbers, and the telephone numbers of the credit card companies.
- town clerk and town treasurer are responsible for securing credit cards under lock.
- Employees must immediately notify the clerk if a credit card is missing (lost or stolen). The clerk is responsible for notifying the mayor and immediately canceling the card. If a card is stolen, the mayor or clerk is to notify law enforcement.

Issuance

- The issuance of a credit card must be authorized by clerk or the mayor and be documented in writing using the *Annual Credit Card Agreement* form and the *Credit Card Issuance Log*.
- The clerk is to maintain a written log for each credit card to account for the "check-out" and return of credit cards. The log will contain the (1) business purpose for using the card; (2) the purchase order number; (3) the department head's or the mayor's signature approving the issuance of the card; (4) dates and times of issue and return; and (5) signatures of both the clerk and the employee upon issuance and return of the card.

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Usage

- Any personal use or unauthorized use of a credit card may result in immediate termination of employment.
- All purchases must be approved in accordance with the municipality's purchasing policies and procedures prior to the transaction. The approved purchase order is to be submitted to the clerk
- The following purchases are not allowed:
 - o Cash advances on credit cards
 - o Alcoholic beverages
 - o Tobacco products
 - o Prescriptions and drugs
- Purchases made by credit card must not circumvent the municipality's purchasing policies/procedures or the Louisiana Public Bid Law (e.g., splitting purchases).
- Employees are responsible for obtaining receipts/documentation as proof of purchase and for documenting the business purpose on thereceipts.
- The card and the receipts/documentation are to be returned to the clerk upon completion of the transaction.
- An employee is responsible for all use of the credit card until it is returned to the clerk.
- The mayor is responsible for notifying the district attorney and the Legislative Auditor of any misappropriation of funds or assets of the municipality.

Recordkeeping

- The clerk is responsible for reviewing the receipts and documentation for propriety (authorization to purchase, documentation of business purpose, etc.) upon the return of the card.
- At the end of each month, the clerk is to compare the card issuance log . purchase documentation, and purchase orders to the monthly card statement. During this review, the clerk is to ensure that: (1) all card purchases were documented on the issuance log (checking for card usage approval); (2) all purchases are supported by documentation (checking for inappropriate purchases and completeness of purchase documentation); and (3) all purchases were supported by an approved purchase order (checking for proper approval for the purchases).
- Any purchase/charge without appropriate supporting documentation requires a detailed explanation and description and the written approval of the mayor.

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- The clerk is to attach the receipts and documentation to the monthly statement and submit to the mayor for review and approval (in writing) before payment is made.

Resources:

[http: www.la.gov](http://www.la.gov) localgovernment/bestpractices

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