

**Policy**

The Village of Innisfree is a corporation that engages in business in many methods, including purchases that require the use of a credit card. To facilitate timely business within and for the municipality, the Village of Innisfree will set standards and procedures for the use of the municipal credit card.

**Purpose**

The key objective of this Policy is to ensure that the Municipal Credit Card is utilized within approved guidelines or clear rules, in a cost-effective, transparent and fair manner, within the municipality, avoiding any unauthorized transactions.

It is quite pivotal that guidelines for the usage of the Municipal Credit Card is adhered to; as all entries that go through the Municipal Credit Card must be charged to the General Ledger (Capital/Operating) as detailed in the municipal budget and that a lack of proper controls could result in over-expenditures and unnecessary audit queries.

**1.0 Definitions:**

- 1.1 **"Chief Administrative Officer"** shall mean a person appointed to the position by council pursuant to the *Municipal Government Act*.
- 1.2 **"Council"** shall mean the current elected officials of the Village of Innisfree pursuant to the *Municipal Government Act*.
- 1.3 **"Credit Card"** shall mean a plastic card having a magnetic strip, issued by a bank or business authorizing the holder to buy goods or services on credit.
- 1.4 **"Credit Limit"** shall mean the maximum total charges permitted on the credit card.
- 1.5 **"PO"** shall mean Purchase Order.
- 1.6 **"User"** shall mean the employee or duly authorized representative who utilizes the Credit Card.
- 1.7 **"Village"** shall mean the Village of Innisfree, its employees and its duly authorized representatives.

**2.0 Responsibilities:**

- 2.1 The Chief Administrative Officer is the administrator of this policy and shall be responsible for all charges applied to the credit card.
- 2.2 The Chief Administrative Officer and the appointed alternative shall be the authorized users of the municipal credit card.
- 2.3 A Councillor shall countersign all Credit Card Purchase Orders.

**3.0 Procedures:**

- 3.1 The Municipal Credit Card shall be used for the purchase of goods or services for only official business of the Village of Innisfree.
- 3.2 The Credit Card shall have a limit of \$5,000.
- 3.3 The Credit Card may not be used for cash advances, personal use or any other type of activity not permitted under any Village of Innisfree purchasing policies.
- 3.4 Upon use of the credit card, a Purchase Order detailing the transaction, including the cost, date of the purchase and the official business explanation thereof must be completed and signed by the user.
- 3.5 A Councillor shall countersign the PO to acknowledge the transaction within 48 hours of purchase.
- 3.6 The balance, including interest due on an extension of credit under the credit card arrangement shall be paid within 30 days of the initial statement date.
- 3.7 The Chief Administrative Officer shall report the loss or theft of the credit card to the issuing financial institution immediately and to Council at the next scheduled Council meeting.
- 3.8 Any employee found guilty of illegal or unauthorized use of the municipal credit card may be subject to penalties allowed by law and to disciplinary action(s) under the Village of Innisfree Personnel Policies, up to and including termination.

**4.0 End of Procedure:**