

**POLICY FOR THE USE OF GOVERNMENT CREDIT CARDS  
BY ELECTED OFFICIALS AND OTHER CITY EMPLOYEES**

- A. Purpose.** In order to conduct city business in a more efficient manner, the City has granted authority to the certain elected officials and other City employees to utilize city credit cards for certain purchases. The purpose of this policy is to supplement the Purchasing Policy and provide guidelines and procedures regarding the proper use of city credit cards. The policy is not intended to replace current state law but is intended to comply with such state laws and establish more efficient guidelines for elected officials and other employees using such cards. At no time should a city issued credit card be used for personal purchases regardless of the circumstances. Utilizing the credit card for personal use or for any item or service not directly related to such official's public duty may result in disciplinary action. All purchases utilizing a government credit card must be in accordance with these guidelines and with state law.
- B. Scope.** This policy, as required by state law under O.C.G.A. § 36-80-24(c), applies to the use of government credit cards used by elected officials and City employees authorized to be issued such government credit cards. The following list of elected officials are authorized by the governing body to use a city credit card and must abide by all of the applicable state law and this policy in the use of such cards:
- A. Mayor of the City of Dalton**
- C. Public Inspection.** In accordance with O.C.G.A. § 36-80-24(b) any documents related to purchases using government credit cards incurred by elected officials and other employees of the City shall be available for public inspection.
- D. Issuance and Transaction Limits.** All City credit cards are issued through the Finance Department and this department will establish credit limits and spending guidelines. Transaction limits are established to ensure compliance with state purchasing laws, maintain proper budgetary controls, and to minimize excessive use of any individual credit line. Credit limits vary per authorized individual and cannot exceed those established by the Finance Department unless authorized by the Chief Financial Officer or the City Administrator. The established single transaction limit for each card must be no greater than \$5,000.00. The monthly aggregate spending limit for each card must be no greater than \$10,000.00.

The elected officials and city employees who are assigned a city credit card will be required to sign a Credit Card Agreement (Attachment A) acknowledging receipt and understanding of this policy.

**E. Purchasing Restrictions.**

1. Elected officials and authorized employees may not use a government credit card for the following:
  - a. Any purchases of items for personal use.
  - b. Cash refunds or advances.
  - c. Any transaction amount greater than the transaction limits set forth by this policy unless authorized by the Chief Financial Officer or the City Administrator.
  - d. Items specifically restricted by this policy, unless a special exemption is granted by the municipal governing authority.
  - e. Purchases or transactions made with the intent to circumvent the city purchasing policy, transactional limits, or state law.
  - f. Alcohol or liquor of any kind. Such purchases should not be made with the city credit card and will not be reimbursed by the city.
  
2. Authorized elected officials and city employees may use government credit cards to purchase goods and/or services not prohibited by this policy or state law. Such purchases include, but are not limited to:
  - a. Purchases of items for official city use which fall within the transactional restrictions of this policy.
  - b. Purchase of lodging, fuel, food, or education and training materials while on city business.
  - c. Emergency purchases necessary to protect city property.
  - d. Purchases of items on the internet or from other approved sources from which a city check is not accepted or practical.

**F. Administrator.**

The city designates the Finance Department as the program administrator of government credit cards. Such administrator shall:

1. Serve as a liaison between the City's cardholders and the issuers of such cards.

2. Maintain the cardholder agreement for all cardholders.
3. Provide instruction, training, and assistance to cardholders.
4. Maintain account information and secure all cardholder information.
5. Keep cardholders up-to-date on new or changing information.
6. Upon receipt of information indicating fraudulent use or lost/stolen cards immediately report it to appropriate parties, including the issuer.
7. Ensure all card accounts are being utilized properly as set forth by state law and this policy.
8. Define the city's policy and procedures for proper documentation and storage of receipts, logs, and approvals required under this policy.
9. Identify any changes to named persons authorized to use a government credit card.
10. Any other duties assigned by the municipal governing authority.

**G. Accounting and Auditing.**

Elected officials and employees assigned a city credit card are responsible for ensuring the safeguarding of the card, the proper use of the card, and the submission of any receipts and appropriate backup for purchases. Department heads and elected officials are responsible for ensuring their departmental employees understand the proper use of city credit cards as outlined in this policy.

Receipts should be submitted to the Finance Department as soon as possible and be accompanied by any required documentation such as that which may be required by the credit card and purchasing policy. Users are responsible for notifying vendors or merchants that the transaction is exempt from Georgia sales and use tax if goods are purchased in Georgia.

Any disputes regarding incorrect billing charges or returns are to be handled at the department level and the Finance Department is to be informed of the situation. All credits for charges originally charged to a city credit card should be issued through the credit card account.

The Finance Department is responsible for reconciling the city credit card statements. The Department heads and elected officials will be informed of any

discrepancies. If receipts and proper documentation are not submitted timely, late charges and/or interest charges will be allocated to the departments(s) which have not submitted documentation timely. The Finance Department will reconcile the statements monthly and will notify the cardholders of any violations or issues that need further documentation or clarification from the previous month. Depending on the severity of the violation, the Administrator may suspend or revoke the use of the credit card after notification to the cardholder and the City Council, but only after consultation with the City attorney.

#### **H. Violations**

The use of a city credit card may be suspended or revoked when the Administrator, after consultation with the city attorney, determines that the cardholder has violated the approved policies or state law regarding the use of the city credit card. The city credit card will be revoked whenever a cardholder is removed from elected office with the city and will be suspended if elected official is suspended from office.

If the violations are purchases of items for personal use, cash refunds or advances, or the purchase of alcohol, the violator shall be given 15 days after notice to reimburse the City for such amount plus interest, if any, charged by the credit company. If such elected official or employee fails to timely reimburse the City, the Administrator shall notify the Mayor and Council and at its next regular meeting the Mayor and Council shall act on the violation. The Mayor and Council may suspend the violator's use of the card for a period of time determined by the Mayor and Council, direct the Administrator to cancel the violator's card, deduct any amount owed from the violator's salary, or any combination of the preceding. If the violation is any one of the other prohibitions set out in Section E above, then the Administrator shall notify the Mayor and Council and at its next regular meeting the Mayor and Council shall act on the violation. The Mayor and Council may suspend the violator's use of the card for a period of time determined by the Mayor and Council or direct the Administrator to cancel the violator's card.

Utilization of the city credit card for personal use or any item or service not directly related to the elected official's public duty may result in disciplinary action including, but not limited to, revocation of card privileges and misdemeanor prosecution. Inappropriate use of a city credit card by authorized city employees may result in disciplinary action up to and including termination of employment.

ATTACHMENT A

City of Dalton  
Credit Card Agreement

I acknowledge receipt of the City of Dalton Credit Card Policy and agree to abide by said Policy.

I understand that:

1. The City credit card is to be used only for legitimate business purchases at the request of and for the benefit of the City of Dalton.
2. The City credit card is to be used within the guidelines of the City's purchasing policy.
3. The City credit card must be used in accordance with the provisions of the Credit Card Policy.
4. The City credit card is **NOT** to be used for any personal expenses even if the intent is to repay the City.

Violations of these requirements may result in revocation of use privileges. Employees found to have inappropriately used the credit card will be required to reimburse the City of Dalton for all costs associated with the improper use through direct payment or payroll deduction. Disciplinary action may be taken up to and including termination. The City of Dalton will investigate and commence, in appropriate cases, criminal prosecution against any employee found to have misused the credit card or who violates the provisions of the cardholder agreement.

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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**CREDIT CARD ISSUED**

Credit Card Number: \_\_\_\_\_

**CREDIT CARD RETURNED TO FINANCE OFFICE**

Received By: \_\_\_\_\_

Date: \_\_\_\_\_