

## **Credit Card Policy**

This policy applies to all employees of Waterloo Library and Historical Society who are assigned a credit card. The Executive Director is responsible for ensuring that all cardholders adhere to the policy, in order to minimize the risk of fraudulent or corrupt use of library credit cards. No debit cards will be issued at any time

### **Eligibility**

To be eligible for a credit card, an employee must meet one or more of the following criteria:

- travel frequently in the course of his/her duties
- purchase goods and services for use at the library
- incur regular expenses of a kind appropriately paid by credit card

### **Limits**

Each cardholder will be issued one card and that card will be limited to a maximum dollar amount set by the Board of Trustees. The card will be for business expenditures only. The Library Director should pre-approve purchases made by employees on behalf of the WLHS.

### **Conditions of Use**

The credit card is to be used only for official WLHS business; personal use is not acceptable under any circumstance. Transactions will be scrutinized by the Library Director (or designee) and by the Executive Director and Treasurer of the Board of Trustees to ensure compliance with this policy. Infractions of the conditions of this policy could result in cancellation of the card and withdrawal of credit card privileges as well as other disciplinary measures.

Breaching of this policy will lead to disciplinary action as well as potential criminal charges against the employee concerned. It will also result in steps to recover the misappropriated funds, either through a mutually agreed upon payback arrangement or a court-ordered judgment/restitution if an agreement cannot be reached.

Cardholders may not under any circumstances use the credit card to obtain cash advances from banks, building societies, credit unions, automatic teller machines or other similar entities. This prohibition similarly extends to cash equivalents such as bank checks, traveler's checks, and electronic cash transfers.

In the event a card is used in connection with a supplier of goods or services which requires a password in order to access the account or transact business, the cardholder shall ensure that the Executive Director and Treasurer are in possession of the password.

### **Monthly Corporate Card Statements**

**Approved 3-30-2017**

**Reviewed and readopted by the Board of Trustees on 6- 8-2022**

Credit card charges must be reconciled to the library's general ledger accounts where the expenditures were booked, within 15 business days of the statement date. Cardholders who have not reconciled their monthly expenditures within this period will be asked to do so immediately. At the time the expenditures are reconciled, the employee should turn over all original receipts associated with each purchase. This procedure will ensure that accounting records maintain an accurate balance. Failure to reconcile expenditures within one month of the statement can result in the card being cancelled. Further action may also be taken against the cardholder.

## **Cardholder responsibilities**

Cardholders are responsible for the following security measures for the use of their card:

- Cardholders must retain all receipts for reimbursements of business expenses and submit these to the Library Director at the time the statement is reconciled. In the event the card is used to make an on-line purchase, the confirmation must be printed and submitted as the receipt. Card purchases without receipts are ultimately the responsibility of the cardholder. A failure to provide receipts or credible explanation for the unsupported expenditure could result in reduction in the cardholder's wages.
- Reimbursement for return of goods and/or services must be made directly to the card account. No cash should be received by the cardholder.
  - In the event of a credit card being lost or stolen, the cardholder should call the financial organization holding the account immediately and follow its instructions. The Library Director and Executive Director must also be notified immediately.

Employees issued a credit card are in a position of trust with respect to use of donated funds. Improper or unauthorized use of the card may result in the cardholder being held liable for expenditures, legal/disciplinary action being brought against the cardholder, or termination of card use and/or termination from WLHS.

## **Records Management**

All documentation associated with the payment of a credit card will be maintained in the library. Original receipts for all credit card transactions will be retained with the monthly statement. Cardholders should keep copies of receipts and statements for audit purposes or for future questions that may arise.

## **Auditing**

Audits of cardholder purchases will occur on a monthly basis by the Treasurer. In addition, external auditors may carry out audits from time to time.

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## **Disputed Transactions**

Disputed transactions must be resolved by the cardholder, in communication with the supplier and the bank by the cardholder. The cardholder must notify the bank immediately for resolution and also notify the Library Director and Executive Director.

## **Internal Monitoring**

Transactions will be monitored carefully by the Library Director, Executive Director, and Treasurer during review of the monthly statement. If there are questionable purchases showing on the monthly statement, this information will be forwarded to the respective staff member for further explanation and resolution.

## **Termination of Employment**

Prior to departure or termination of duties, the cardholder must reconcile all expenditures on his/her card account since the last statement. It is the responsibility of the departing employee to ensure that his/her account is settled prior to departure. The card must be surrendered upon termination of employment to the Executive Director. The Executive Director is responsible for ensuring that the departing employee surrenders his/her card upon termination of employment. In the event an employee terminates his/her employment without notice and without returning his/her card, the Executive Director or designee is responsible for canceling the card of the departed employee or otherwise notifying the financial institution issuing the card that no further charges on that card are to be authorized as soon as possible after learning of the termination.

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