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Town of Fair Haven THE SLATE CENTER OF THE NATION • CHARTERED OCTOBER 27, 1779

FAX: 265-3176 • MUNICIPAL BUILDING • NORTH PARK PLACE • FAIR HAVEN, VERMONT 05743 • TEL. (802) 265-3010

Credit/Charge Card & Charge Account Policy
Policies and Procedures

In general, it is the policy of the Town of Fair Haven to **not** have or issue credit/charge cards to any of its employees or elected/appointed officials. Also, it is the Town's policy that maintaining existing and establishing new charge accounts with area business is more the exception than the rule. The Town believes its current Purchase Order and expense reimbursement systems can accommodate most, if not, **all** forms of payments for expenses.

However, in the rare event that the Town finds the need to secure and find use for a Town credit/charge card or charge account, the policies and procedures herein shall apply.

1. **Authorization** – The Town Treasurer must provide written authorization, copied to the Town Manager, prior to the issuance or use of a Town credit/charge card (or opening of any charge account) to a Town employee or official associated with the Town Office (i.e., Town Clerk and Listers). For charge accounts, the Town Treasurer in collaboration with the Town Manager shall create, maintain, and regularly update a list of employees/officials authorized to charge purchases against each account. For charge accounts, annually, in a letter to the respective vendors/retailers, the authorized employee/official list shall be submitted designating the authorized employees/officials. The letter also must indicate that the Town will not be responsible for purchases made by persons other than those authorized.

2. **Employee/Official Agreement** – Employees/Officials must sign an agreement acknowledging that s/he has read and understands the policies and procedures governing the use of a Town credit/charge card or charge account.

3. **Restricted Use** – The use of a Town credit/charge card or charge account is subject to the following restrictions:

    - No personal or private expenditure shall be charged.
    - No regular operating expenses (e.g. monthly telephone bills, Internet agreement, etc.) shall be charged.
    - Each expense charged must be accompanied by the actual itemized receipt and brief explanation. Each expense must have the same type of documentation required for a reimbursement request.
    - An expense of $200 or greater requires pre-approval by the Town Manager.
    - No capital purchases shall be charged.
    - Travel expenses (e.g. airfare, hotel rooms, and conference registrations) shall be submitted for payment via a purchase order.
    - Documentation of each expense shall be submitted with the credit/charge card statement.

- No cash advances are permitted.
- Any credit/charge card issued will have a maximum balance of $1,000.

4. **Payments** – All statements shall be submitted with required documentation in a timely manner. No late fees or interest payments shall be honored by the Town for payment and shall be the responsibility of the respective employee/official. Expenses without proper documentation shall be the responsibility of the respective employee/official.

5. **Violations** – As applicable, violations of the Town's credit policy shall result in disciplinary action, including termination of employment or prosecution.

Adopted by the Fair Haven Selectboard this 6th day of January, 2017.

Christopher Cole, Chair

Jeff Sheldon

Claire Stanley, Clerk

David Ward

Bob Richards

Credit/Charge Card & Charge Account Policy Acknowledgement

Employee/Official Name: _____

Employee/Official Department: _____

I understand by signing this form that I have read and understand the Fair Haven, VT Credit/Charge Card Policy and will strictly adhere to it.

_____ _____

Employee/Official Signature **Date**