

CREDIT CARD POLICY

Adopted as part of the Financial Policy 6/25/2025

1. Purpose:

This policy establishes guidelines for the authorized use of credit cards by Boyne City Housing Commission (BCHC) employees to ensure responsible and transparent management of agency funds. This policy aims to provide efficiency in procurement while maintaining strict financial controls.

2. Authorized Users:

- a) Credit cards will only be issued to employees whose job responsibilities necessitate frequent or recurring purchases, as approved by the Director (ED).
- b) A list of authorized users will be maintained by the ED based on access to the card or a personal card.
- c) Authorized users must sign an Agreement acknowledging their understanding and acceptance of this policy.

3. Permitted Uses:

- a) Travel expenses when pre-approved by the ED.
- b) Small office supplies and maintenance items when pre-approved or within designated limits.
- c) Membership fees and subscriptions directly related to agency business.
- d) Other necessary and reasonable expenses that are pre-approved by the ED.

4. Prohibited Uses:

- a) Personal expenses of any kind.
- b) Cash advances.
- c) Entertainment expenses (unless specifically authorized and pre-approved).
- d) Purchases exceeding authorized spending limits.
- e) Purchases that violate federal, state, or local laws.
- f) Purchases that violate HUD regulations.
- g) Any expense that cannot be properly documented.

5. Spending Limits:

- a) Individual credit card limits will be established based on job responsibilities and anticipated spending needs. These limits will be placed on the card directly.
- b) Daily, weekly, and monthly spending limits may be implemented.
- c) Any purchase exceeding the authorized limit requires prior approval from the ED.
- d) Use should be limited to allow for full payment of the balance each month and to not accrue interest/fees.

6. Documentation and Reconciliation:

- a) Authorized users must retain all original receipts for every transaction.
- b) Receipts must be submitted to the ED by the end of the month the transaction took place.
- c) Monthly credit card statements will be reconciled by the ED and reviewed by another employee.
- d) The ED shall approve all BCHC credit card invoices prior to payment.
- e) Payments shall be made prior to the due date on the credit card statement.
- f) Credit card payments are reviewed and ratified by the Commission at their regular meetings.
- g) Any discrepancies or unauthorized charges must be reported immediately to the ED.
- h) All receipts must have the following information:
 1. Date of purchase
 2. Vendor name
 3. Itemized list of purchases
 4. Amount of purchase
 5. Business purpose of purchase

7. Security:

- a) Credit cards must be kept in a secure location.

- b) Card numbers and PINs must not be shared.
- c) Lost or stolen credit cards must be reported immediately to the issuing bank and the ED.
- d) Online purchases must be made on secure websites.

8. Training:

- a) All authorized users will receive training on this policy and their responsibilities.
- b) Refresher training will be provided periodically.

9. Policy Violations:

- a) Violations of this policy may result in disciplinary action, including revocation of credit card privileges and termination of employment.
- b) The PHA will also seek to recover any funds spent in violation of this policy.

10. Policy Review:

- a) This policy will be reviewed and updated periodically by the ED and approved by the BCHC Board of Commissioners.

11. User Agreement:

- a) All card holders will sign a user agreement that includes the following:
 - 1. Acknowledgement of the credit card policy.
 - 2. Agreement to return the card upon termination of employment or when requested.
 - 3. Agreement to be held personally responsible for unauthorized charges.

CREDIT CARD PROCEDURES

The following credit card procedures are to be followed: 1) authorized credit card holder; 2) employee responsibility; 3) use of credit card; 4) return of goods/purchases; and 5) account reconciliation process.

Authorized Credit Card Holders

The administrator of the credit cards will be the ED. Card holders will be required to complete a *Credit Card Use Agreement* form. The form provides a list of requirements accepted by the employee as well as providing an understanding of disallowed activities and costs. Credit cards will be issued to the following positions:

- ED
- Program Manager
- Maintenance Supervisor

Employee Responsibility

Employees are responsible for the purchases made on their credit card. The card holder may delegate use of the card to other individuals within their department, but the card holder is ultimately responsible for all charges against the card. Card holders are responsible for the proper use and safeguarding of the credit card issued in their name. The card holder must immediately report any card that is stolen or that has fraudulent activity. Inappropriate use of the credit card for transactions not related to Authority business may result in disciplinary action. The card holder will be responsible for any unauthorized purchases related to the misuse of the credit card. BCHC employees that are issued a BCHC credit card are prohibited from using their personal credit card and seeking reimbursement unless it is an emergency or prior approval has been obtained from the Board.

Use of Credit Card

The card holder may make purchases in person, by phone, or on the Internet. Items must be shipped to the Authority business address. Telephone and Internet purchased must be made with reputable vendors only and the vendor must be notified at the time of purchase that the Authority is tax exempt. The card holder must retain all receipts, credit card slips, and other documentation supporting any charges against the card. These items must be submitted to the accounting clerk as part of the reconciliation process.

Return of Goods/Purchases

Card holders are responsible for returns of goods purchased by the credit card and returns should be credited back to the card. Cash refunds are strictly prohibited.

Account Reconciliation Process

The card holder is responsible for submitting all credit card documentation to the ED for the monthly reconciliation of transactions. It is the responsibility of the card holder to investigate any discrepancies or erroneous charges to their card. Credit card statements will be provided by the ED for verification of purchases and reconciliation of charges. The ED will review the monthly statements and reconcile all charges to the documentation received by the individual card holders. ED or Board will ensure that any questionable charges are properly investigated and mitigated prior to payment of the credit card.

USER AGREEMENT FOR BCHC-ISSUED CREDIT CARD

The following user agreement must be signed by all employees of Boyne City Housing Commission that are issued a credit card. This Credit Card Use Agreement is between Boyne City Housing Commission and _____ (*Employee Name as shown on credit card*). By my signature on this Agreement, I will agree to comply with and be bound by the terms and conditions which follow.

- I understand this Card is the property of Boyne City Housing Commission and I will be making financial commitments on behalf of the Housing Authority when using this Card. I agree that use of this Card is limited to business purposes authorized by the Housing Authority.
- I agree this Card must not be used for any personal, unauthorized, or illegal charges and any such misuse will result in cancellation of this Card which may further result in disciplinary action up to and including termination of my employment.
- I will not use the card to obtain cash advances.
- I understand that all purchases shall be made in accordance with the applicable Housing Authority procurement, financial, and credit card policies and procedures.
- I understand that I will be responsible for the timely reconciliation of all credit card transactions charged to my card.
- I understand that I am responsible for providing appropriate documentation for credit card transactions charged to be card.
- I understand that any points, rewards, or cash back accrued from purchases made using the credit card belongs to the agency or program budget that is charged.
- I understand that I am required to use the Housing Authority-issued credit card for permitted Agency business. Use of a personal credit card for permitted Agency business is not allowed unless it is an emergency or prior approval has been obtained from the Board or ED.
- I will surrender the card to the Housing Authority in the event of my separation from the agency.
- I understand that the Housing Authority may review and investigate the use of this Card, and I have no expectation of privacy concerning any charges incurred. I will cooperate with any such review or investigation. I understand that any charges against the credit card that are not properly identified or not allowed by the Housing Authority shall be paid by me by check, United States currency or salary deduction. I further understand that any employee who has been issued a card shall not use the card if any disallowed charges are outstanding and shall surrender the card upon demand of the Housing Authority.
- I will immediately report a stolen or lost card to the Housing Authority and to the Bank at the following number.

_____ (*Bank Telephone Number*)

Please identify card as a (*Visa, Mastercard, Home Depotetc.*) _____

I understand that any variance and/or violation of the above conditions will result in cancellation of my credit card. Misuse of the card could result in disciplinary action and/or personal liability for unapproved charges. The Housing Authority shall have unlimited authority to revoke use of any credit card issued and upon such revocation shall not be liable for any cost subsequently charged to the credit card.

I HAVE READ AND I UNDERSTAND THE ABOVE CONDITIONS.

Name _____ Credit Card # _____

Signature _____ Date _____