

DIABLO WATER DISTRICT

REGULATION NO. 124

DISTRICT CREDIT CARD USE POLICY

Section I. Purpose of Policy.

- A. The Purpose of Diablo Water District's Credit Card Use Policy is to provide guidelines for the use of District credit cards. The use of a District credit card may provide better control and accounting of funds than the use of cash or personal credit card in certain situations and in emergency situations. The use of a District credit card is the use of District funds and therefore shall follow the guidelines of this policy.
- B. The District has entered into a "Local Agency Subscription Agreement" (Attached Exhibit A) with U.S. Bank National Association (U.S. Bank) under the terms and conditions of the Purchase Card Services Participating Addendum No. 7-14-99-22 signed September 29, 2014 and entered into by U.S. Bank National Association (U.S. Bank) and the State of California, Department of General Services (Attached Exhibit B). Under this agreement, the District agrees to accept and perform all duties, responsibilities and obligations required of Participating Agencies as set forth in the Participating Addendum.

Section II. Policy.

- A. The District's credit cards are to be used in the conduct of authorized District

business. District credit cards shall not be used for any personal expenses, even if the intent is to reimburse the District at a later date.

Section III. Allowed Uses.

The following uses are allowed:

- A. Credit cards are to be used for budgeted or emergency District business only.
- B. Credit cards are to be used only if a vendor will not accept a purchase order and/or the purchase cannot wait for the issuance of a check.
- C. Making travel arrangements and purchasing lodging, transportation and other minor purchases associated with District business-related travel and activities with limitations as stated in the District's Regulation Number 112. Any charges for personal expenses or incidentals must be paid separately by the District employee and not charged to the District credit card.
- D. The purchase of authorized meals for which no cash advance has been received.
- E. The purchase of fuel, oil and minor repairs to District owned vehicles.

Section IV. Prohibited Uses.

The following uses are prohibited:

- A. Any and all non-business-related expenses;
- B. Any personal items and/or personal services even if the intent is to reimburse the District at a later date, including spouse and family member expenses;
- C. Cash advances, wire transfers, or money orders;
- D. Purchase fuel for privately owned vehicles;

- E. Purchasing non-budgeted items without prior approval;
- F. Purchase of alcoholic beverages; and
- G. Any purchases for which proper authorization has not been received.

Section V. Card Issuance and Credit Limits.

A. District credit cards will be issued by the Finance & Accounting Manager to the following positions (Cardholder) with the monthly limits:

1. Senior Water Efficiency Senior Specialist	\$5,000
2. Accounting Analyst	\$5,000
3. Maintenance & Construction Supervisor	\$5,000
4. Human Resources Manager	\$7,500
5. Strategic Initiatives Project Manager	\$7,500
6. District & Community Relations Manager	\$7,500
7. Forward Planning Manager	\$7,500
8. Water Operations Manager	\$7,500
9. Construction and Maintenance Manager	\$7,500
10. Finance & Accounting Manager	\$12,500
11. General Manager	\$10,000

B. In the event of an emergency, the General Manager is authorized to increase credit card limits as required to make immediate purchases related to the emergency.

Section VI. Procedures.

Cardholders shall complete the following steps with each purchase:

A. Documentation Required for purchases:

1. Receipt must contain the following information:

- (a) Vendor's contact information
- (b) Date of purchase
- (c) Amount of total purchase
- (d) Brief but specific description of item(s) being purchased

2. For internet orders, print a copy of the order form.

3. For mail orders, keep a copy of the order form and shipping slip.

4. Purchase orders are preferred to be used with each purchase.

B. Documentation Required for Training and Travel Expenses

1. Hotel receipts should contain full detail of charges.

2. All charges for meals should contain full detail of charges including tip if applicable.

3. All meals purchased should detail who attended, purpose of the meal, and must be signed by the cardholder.

4. Receipts for car rentals, tolls, and any other miscellaneous charges must accompany a detailed receipt. Receipt must note reason for expense and must be signed by cardholder.

C. Approval of Statements.

1. Each Cardholder will receive their own individual card statement and be responsible for keeping track of their purchases. Once the Cardholder receives their statement, they shall submit the statement along with all

supporting documentation to their direct manager within five (5) days of receiving the statement. Each Cardholder is responsible for detailing the budgeted general ledger account to which each transaction should be charged to.

2. Approving managers will have three days to review statements and supporting receipts, sign and submit to the Accounting Analyst for payment processing.
3. The General Manager's statement and receipts will be reviewed by the Finance & Accounting Manager.

Section VII. Disputes.

- A. If items purchased with a District credit card are found defective, the Cardholder has the responsibility to return the item(s) to the merchant for replacement or to receive a credit on the purchase.
- B. If the merchant refuses to replace or correct the faulty item, then the purchase of this item will be considered to be in dispute and the District will follow the guidelines and procedures outlined in the "Participating Addendum" (Exhibit B).

Section VIII. Lost or Stolen Credit Cards.

- A. The Cardholder is responsible for the security of the District credit card. Should any employee lose or have a District credit card stolen, it is their responsibility to contact the District's Finance & Accounting Manager within 24 hours of discovery.

Section IX. Payment Processing.

- A. The Accounting Analyst will process all credit card billings in sufficient time to avoid late penalties and interest. Under no circumstances will the District's Accounts Payable Department "hold" a statement pending the resolution of a dispute or while waiting for backup documentation from Cardholders.

Section X. Surrender Upon Request of Separation.

- A. The District reserves the right in its sole discretion to refuse to issue to and/or withdraw authorization to use a District issued credit card from any Cardholder. The Cardholder shall immediately surrender the card upon retirement, termination or upon the request of the District. Use of the card for any purpose after its surrender is prohibited.

Section XI. Violation of Policy.

- A. Violations of the District's Credit Card Use Policy may be subject to disciplinary action, up to and including termination.
- B. This policy does not claim to have addressed all contingencies and conditions. Any necessary and reasonable expense that may from time-to-time be justified due to circumstances or opportunities for the District may be honored upon approval by the General Manager.