



CHARTER TOWNSHIP OF HIGHLAND

205 North John Street • Highland, Michigan 48357 • (248) 887-3791

Resolution #07-25: Credit Card Purchase Transactions Policy

At a regular meeting of the Charter Township of Highland Board of Trustees held on the 12th day of December, 2007:

Present: Patricia M. Pilchowski, Mary L. McDonell, Judith A. Kiley, Mary Pay Chynoweth, Russ Tierney

Absent: Raymond Polidori

The following resolution was offered by Mrs. Dietrich and supported by Mrs. Chynoweth:

WHEREAS: To comply with provisions of Public Act 266 of 1995, effective July 8, 1996, which requires the Township Board to approve a written policy by resolution to authorize use of credit cards in the conduct of township business; and

WHEREAS: The original resolution #00-03, approved on February 23, 2000, needed updating to reflect current practices:

THEREFORE BE IT RESOLVED: that the Township Board hereby authorizes the use of credit cards in the conduct of Township business for appropriate expenses. Such credit card use is authorized only in accordance with the following policy:

The Township Clerk and/or Township Treasurer shall be responsible for the issuance, accounting, monitoring, retrieval and general oversight of compliance with this credit card policy.

An official or employee of the Township shall immediately surrender any Township credit card(s) and credit card receipts in the possession to the Township Clerk or Township Treasurer if requested to do so.

Use of credit cards for transactions for which the Township is liable is authorized only by officials or employees of the Township for the purchase of goods or services for the Township's official business.

Should an employee or official purchase goods or services with a Township issued credit card and the Township Board subsequently determines that the goods or services purchased are not for the Township's official business, the employee or official who used the Township credit card for this purpose will be personally liable for the charges related to those goods or services.

Each employee or official using such credit cards must submit, within seven days of purchase, documentation detailing the goods or services purchased, the cost, date of

SUPERVISOR: Patricia M. Pilchowski • CLERK: Mary L. McDonell • TREASURER: Judith A. Kiley
TRUSTEES: Judy K. Dietrich, Mary Pat Chynoweth, Russ Tierney, Raymond P. Polidori

purchase and the official business. Penalties for failing to do so would include loss of credit card privileges and personal liability for unsubstantiated expenses.

The employee or official issued the card is responsible for its protection and custody and shall immediately notify the Township Clerk or Township Treasurer if the card is lost or stolen.

An official or employee must immediately surrender any Township credit card and credit card receipts in their possession to the Township Clerk and/or Township Treasurer upon termination of employment or resignation or removal from office.

The Township Board of Trustees shall establish regulations and procedures and a system of internal controls to monitor and safeguard the use of all credit cards whose use may subject the Township to liability. Among its provisions, these procedures shall be required:

- Approval of credit card invoices by the Township Board before payment.
- Payment of the balance including interest due on an extension of credit under the credit card arrangement within 60 days of the initial statement date.
- A report to the Township Board of any credit card interest paid over \$100 and the reasons therefore.

Persons violating this policy shall be subject to disciplinary measures up to and including discharge for unauthorized use of Township credit cards in addition to other penalties consistent with the law.

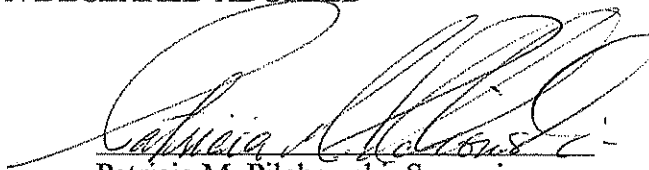
The total combined authorized credit limit of all credit cards issued by the Township shall not exceed amounts specified by law.

The issuance of a credit card does not circumvent the township's purchase order process. Credit cards are being used to simplify the process of paying for certain expenditures; Credit cards are not a substitute for obtaining the necessary approvals prior to making a purchase of goods or services.

The motion carried with the following roll call vote:

Ayes: Pilchowski, McDonell, Kiley, Chynoweth, Dietrich, Tierney
 Nays: None
 Abstained: None

RESOLUTION DECLARED ADOPTED


 Patricia M. Pilchowski, Supervisor


 Mary L. McDonell, Township Clerk