

## **RESOLUTION 2025-06**

### **A RESOLUTION OF THE CITY OF CHAPPELL, NEBRASKA, ESTABLISHING A CITY CREDIT CARD POLICY FOR THE APPOINTED OFFICIALS AND EMPLOYEES OF THE CITY;**

**WHEREAS**, the use of credit cards has become common place for the purchase of goods, materials and services by City Officials and employees; and

**WHEREAS**, it is necessary to establish a policy for the use of a City credit card by City Officials and employees;

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CHAPPELL, NEBRASKA, that:**

**SECTION 1. Purpose:** To establish a policy for the use of City credit cards by City Officials and employees who are authorized to use a City credit card for the purchase of goods, materials and services for the City.

**SECTION 2. Policy:** The City Administrator is hereby authorized to use a City credit card for the purchase of goods, materials and services for the City. Individual transactions shall not exceed \$5,000.00 and there is hereby established a total credit limit of \$15,000 on the credit card account. The City Administrator may allow other City Officials and employees under his/her authority to use the City credit card subject to the same limitations set forth herein. Use of the City credit card is restricted to the purchasing of those goods, materials or services that cannot be procured through normal procedures.

**SECTION 3. Authorized Employees:** The City Administrator must authorize use of the City credit card for intermittent use or continuing use for any appointed City Official or employee. If a City credit card is used for personal use or any stated violation in the Prohibited Purchases section of this policy, the cost of such purchase(s) shall be the responsibility of the official/employee who shall reimburse the City for the full amount of the unauthorized charges. If payment is not received by the City within thirty (30) days, the unauthorized charge(s) shall be deducted from the official's/employee's payroll. No appointed City Official or employee who is authorized to use a City credit card may allow use of the credit card by any designee, employee or individual who has not received authorization for its use by the City Administrator.

**SECTION 4. Authorized Purchase Purposes:** Authorized officials/employees may use a City credit card only for official business purchases of goods, materials and services. The City's credit card serves as a means of payment only, and use of the card does not eliminate the need for compliance with other regulations concerning purchasing, budgeting, and pre-authorization for travel.

**SECTION 5. Prohibited Purchases:** The City credit card may not be used for personal use or any combination of personal and City use. The use of a City credit card shall not be used for the purchase of alcohol. Anyone who makes an unauthorized purchase shall be liable for the amount of such purchase, plus any administrative fees charged by the bank or card issuer in connection with the misuse.

The misuse of the City credit card may result in any or all of the following actions: written warning, revocation of credit card privileges, termination and/or criminal prosecution. The City Administrator shall have the authority to investigate and determine whether a violation has occurred and to determine the appropriate disciplinary action pursuant to applicable law and/or City policy.

**SECTION 6. Receipts:** It is the responsibility of each credit card user to obtain a written receipt for each purchase. Receipts are to be provided to the City Clerk within one week of the purchase for review and to confirm eligibility for payment. Failure to provide the required receipt and supporting documentation to the City Clerk may subject the user to loss of credit card privileges and may cause the amount charged

to be classified as a personal purchase by the card user. Any finance charges incurred due to the failure of the card user to timely provide the proper documentation shall be charged to the user of the card.

**SECTION 7. Disputes, Safeguarding and Lost or Stolen Credit Cards:** It is each user's responsibility to follow up on any erroneous charges, returns, disputes or adjustments to ensure proper credit is given on subsequent statements.

Authorized card users are responsible for the card's protection and custody. An issued card or card account number should always be treated with utmost care and secured to prevent misuse by unauthorized users. When using a card for internet purchases, users should ensure that the site utilizes industry recognized encryption transmission tools. If a credit card is lost or stolen, it is the responsibility of the user to immediately contact the City Clerk who will make contact with the issuer and take the appropriate steps to protect the account from unauthorized purchases.

**SECTION 8. City Clerk Responsibilities:** City employees must receive approval from the City Administrator to have permission to use the City's credit cards. The City Clerk is responsible for ensuring the proper use of all cards and/or account numbers of the City. Those duties include, but are not limited to, timely reconciliation of all accounts, appropriate record keeping, knowing card limitations and restrictions, developing and implementing internal procedures that govern the usage and communicating with the City Administrator on any issues.

**SECTION 9. Ownership and Cancellation of the Credit Card:** The authorized official/employee is accountable for all charges made by him/her on the City credit card. The City Administrator may limit, suspend or terminate an employee's charging privileges at any time without cause.

**SECTION 10. This Resolution shall be in full force and effect from and after its passage and approval.**

PASSED AND APPROVED this 5<sup>th</sup> day of May, 2025.

CITY OF CHAPPELL, NEBRASKA

By: \_\_\_\_\_  
Dan Riley, Mayor

Attest:

By: \_\_\_\_\_  
Ashlea Bauer, City Administrator/Clerk