

**BALDWIN TOWNSHIP
SHERBURNE COUNTY, MINNESOTA
Resolution No. 07-06**

**RESOLUTION AUTHORIZING THE USE OF CREDITS CARDS
AND ESTABLISHING A CREDIT CARD POLICY**

WHEREAS, Minnesota Statutes, Section 471.382 permits town boards to authorize the use of credit cards to make purchases on behalf of a town;

WHEREAS, Baldwin Township ("Town") Board of Supervisors ("Town Board") determines it is in the best interest of the public to allow the use of credit cards by officers and employees to expedite Town purchase and avoid officers and employees having to purchase the items with their own funds and then having to seek reimbursement from the Town; and

WHEREAS, the Town Board also determines that it is important to establish appropriate limitations and oversight for the use of Town credit cards;

NOW, THEREFORE, BE IT RESOLVED, that the Town Board hereby authorizes the acquisition and use of credit cards by Town officers and employees;

BE IT FURTHER RESOLVED, that the Town Clerk/Treasurer is hereby authorized to obtain, in the Town's name, one or more credit cards as directed by the Town Board for use by authorized officers and employees; and

BE IT FINALLY RESOLVED, that the Town Board hereby adopts the following policy regarding the use of Town credit cards:

BALDWIN TOWNSHIP CREDIT CARD POLICY

This Policy shall govern the use of the Town credit card (the "Card") and the Town Board shall be responsible for overseeing compliance with the terms of this Policy.

Section One – Authorized Users.

1. Only the following officers and employees of the Town are authorized to use the Card to make purchases on behalf of the Town (hereinafter referred to as "User" or "Users"):
 - a. Town Clerk/Treasurer;
 - b. Town Supervisors (5);
 - c. Town Fire Chief; and
 - d. Town maintenance employee.

2. All Users are responsible for reading this Policy and complying with its provisions, including any future amendments. Failure to comply with this Policy may subject a User to disciplinary action set out in Section Eight of this Policy.

Section Two -- Authorized Expenditures.

3. The Card may only be used by a User to make those expenditures that may lawfully be made on behalf of the Town and that are approved as Authorized Expenditures pursuant to this Policy. All other expenditures, purchases, charges, or transactions made against the account, or that exceeds the spending limits imposed herein are expressly prohibited (collectively an "Unauthorized Expenditure"). For the purposes of this Policy, only the following types of expenditures or purchases shall be considered "Authorized Expenditures":
 - a. Those individual or specific types of expenditures the Town Board has preauthorized one or more Users to make by vote at a Town Board meeting. The preauthorization may be limited as the Town Board deems appropriate and must be as specific as possible in order to give a User sufficient direction regarding the scope of the authorization; and
 - b. Costs associated with registering for and attending Town Board approved out-of-town training sessions, including costs of lodging and meals reasonably necessary to enable the User to attend the training;
4. A User shall be personally responsible for any Unauthorized Expenditures and may be subject to disciplinary action by the Town Board as indicated in Section Eight of this Policy.

Section Three -- Spending Limits.

5. The following spending limits shall apply to the use of the Card by all Users. It shall be the responsibility of the Users to remain informed about the amounts charged against the Card so that any expenditures does not exceed the following spending limits:
 - a. A single expenditure shall not exceed \$1,000;
 - b. Expenditures made by a User within a month shall not exceed \$2,000; and
 - c. The total amount of expenditures made by a User in a year shall not exceed \$12,000.
6. Any proposed Authorized Expenditure that would exceed either of the above limits must be preauthorized by the Town Board.

Section Four -- Receipts.

7. A receipt shall be obtained and given to the Town Board for all Authorized Expenditures made with the Card. The receipt shall include:
 - a. The name of the vendor or entity from which goods or services were purchased;
 - b. A description of the items purchased; and
 - c. The date and the amount of the transaction.

8. If a receipt cannot be obtained, or the receipt does not contain all of the information listed above, the authorized person using the Card shall submit a signed voucher, on a Town Board approved form, which includes the following:
 - a. A description of the transaction;
 - b. The name of the vendor or entity from which goods or services were purchased;
 - c. The date and the amount of the transaction;
 - d. A description of the purpose of the expenditure; and
 - e. A statement that the transaction had been previously authorized by the Town Board.
9. Each User must prepare a claim form for all expenditures, authorized or unauthorized, he or she made with the Card. The claim form must provide a detailed description of all expenditures and include a receipt or voucher for each. Claim forms must be submitted to the Clerk/Treasurer at least three (3) business days before the next regular Town Board meeting. All claim forms, receipts, and vouchers shall be retained in accordance with the Town's records retention schedule, but in no case less than two (2) years from the date set forth on the receipt or voucher.
10. Failure to submit a claim form or to procure and provide a receipt or voucher for all expenditures made using the Card may result in consequences as set forth in Section Eight of this Policy.

Section Five -- Review of Credit Statements.

11. At least once a month the Town Board shall review the previous month's Card statement to ensure that all expenditures made with the Card were Authorized Expenditures and otherwise were in compliance with this Policy.
12. The Town Board's review shall include cross-checking all, or a random sampling, of the receipts and vouchers with the Card statement to determine whether any Unauthorized Expenditures were made with the Card.
13. Transactions that are not supported by a receipt or voucher, appear to be an Unauthorized Expenditures, or that otherwise do not comply with this Policy shall be immediately investigated. The User shall not be authorized to make any further expenditures on the Card until the investigation is complete and all expenditures appearing on the statement have been verified as complying with the terms of this Policy.

Section Six -- Payment of Card Balance.

14. The balance, including interest due on the Card shall be paid off entirely within not more than 30 days of each statement date.
15. If the Town Board is unable to pay the balance, including interest due on the Card, in the above specified time, the Town Board shall not approve any subsequent purchases with the Card until the entire balance, including interest, has been paid in full.

Section Seven -- Lost or Stolen Card.

- 16. If the Card is lost or stolen, the User last in possession of the Card shall notify the Town Clerk/Treasurer immediately and the Town Clerk/Treasurer shall notify the Town Board.
- 17. Once notified, the Town Cler/Treasurer will immediately cancel the Card or work with the credit card company to take other appropriate action as needed to protect the Town.

Section Eight -- Penalty/Disciplinary Provisions.

- 18. Any User that makes an Unauthorized Expenditure or uses the Card in any other manner contrary to this Policy, shall be subject to one or more of the following actions, as deemed appropriate by the Town Board:
 - a. Written reprimand;
 - b. Suspension from use of the Card for a time to be decided by the Town Board;
 - c. Reimbursement for all Unauthorized Expenditures;
 - d. Any civil actions that may be available to the Town to make itself whole for any Unauthorized Expenditures; or
 - e. Any and all criminal sanctions which may be applicable.

Section Nine -- Custody of the Card

- 19. The Card shall remain in the exclusive custody of the Town Clerk/Treasurer who will relinquish control of the Card to a User only as needed to make expenditures as authorized by the Town Board.
- 20. Users are responsible for safeguarding the Card when it is in their possession and must return it to the Town Clerk/Treasurer as soon as is reasonably practicable after the expenditure.

Adopted this 3rd day of July, 2007

BY THE TOWN BOARD



Bryan Lawrence, Chairperson

Attest: 

Cathy Stevens, Town Clerk/Treasurer