

**CREDIT AND DEBIT CARD POLICY
TOWN OF POMFRET, VERMONT**

Approved July 17, 2023

PURPOSE. Credit and debit cards provide a convenient method of obtaining goods and services for the Town outside those purchases which are regularly billed to the Town and paid by check. However, by their nature, credit and debit cards provide an opportunity for unauthorized purchases and fraudulent activity. The purpose of this policy is to establish criteria for the proper use of credit and debit cards when conducting Town business. When used below, the term “card” includes credit cards and debit cards.

CARDHOLDERS AND SPENDING LIMITS. The Selectboard will determine which officers and employees of the Town will be authorized to use a Town card and will determine appropriate spending limits for each cardholder. Cards will be issued in the names of authorized officers and employees.

Currently the Clerk, Treasurer, and Road Foreman may have cards, with maximum spending limits ranging from \$1,000 to \$2,500. No Selectboard member may have a card, as that would be considered access to cash, and a conflict of interest with Selectboard duties and responsibilities.

Before a card is issued, the cardholder shall review this policy and the Purchasing Policy to understand how to comply with their requirements, sign the Cardholder Acknowledgement below, and submit the signed version to the Treasurer.

CARD USE. Card purchases are subject to the Town’s Purchasing Policy. Cards may be used only by the named cardholder and only for Town business related to the cardholder’s responsibility for the Town. Cards may not be used for personal purchases, cash advances, or at businesses that already offer the Town a charge account or other payment terms. Cards also may not be used for purchases that are eligible for efficiency rebates, grant reimbursements, or items for which the Town already has contracted for the same product or equipment from a different vendor. Purchases may not exceed the cardholder’s authorized spending limit.

A cardholder who makes unauthorized purchases or advances will be personally liable for the amount of such purchases or advances, plus any fees charged by the bank in connection with the unauthorized use. Cards may be cancelled and cardholders disciplined – up to and including termination – for unauthorized use of Town cards.

SECURITY. Cardholders are responsible for their card’s protection and custody. Any unauthorized activity or loss of a card shall be reported immediately to the Treasurer, who is responsible to report the same promptly to the issuing bank. The Treasurer shall report any such incidents to the Selectboard, as well as their resolution. The Treasurer shall cancel cards when officials leave the Town’s employ. Any notifications or changes to Town cards must be

communicated to the card issuing bank on a timely basis by the Treasurer after consultation with the Selectboard.

DOCUMENTATION. As soon as possible after each purchase, cardholders shall submit to the Treasurer an invoice in the name of the Town (not in the name of an individual or business) or an itemized receipt detailing the goods or services purchased, their cost, the date of purchase, the applicable budget line item, and the official purpose for which it was purchased.

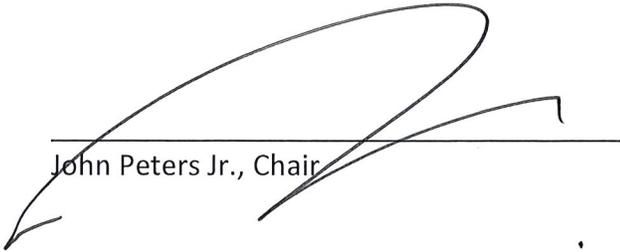
For over-the-counter purchases, documentation will include the invoice billed to the Town and a customer copy of the charge receipt. For internet purchases, documentation will include a copy of the receipt and the order confirmation. For telephone purchases, documentation will include a faxed or emailed copy of the receipt from the vendor.

Receipts and other documentation are then matched by the Treasurer to the monthly card account bank statement and retained on file. Failure to provide documentation to the Treasurer on a timely basis, or failure to comply with the requirements of this policy, is grounds for card termination.

SELECTBOARD APPROVAL OF CARD EXPENSES. Each month the Treasurer shall provide a copy of the Card statement, and list of associated ledger accounts charged, to the Selectboard for review. The total card expense will be added to the contemporaneous accounts payable warrant, increasing the total dollar amount of such warrant, and enabling the Selectboard to approve such expenses in the normal course of approving warrants for payment.

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APPROVED by the Selectboard this 17th day of July, 2023, and effective until amended or repealed.



John Peters Jr., Chair



Benjamin Brickner, Vice-Chair



Meg Emmons



Steve Chamberlin



Emily Grube

[Remainder of page intentionally blank. Cardholder Acknowledgement follows.]

**CREDIT AND DEBIT CARD POLICY
CARDHOLDER ACKNOWLEDGEMENT**

TOWN OF POMFRET, VERMONT

I have read the Credit and Debit Card Policy approved on July 17, 2023, and the Purchasing Policy approved on October 4, 2023, understand these policies, and agree to comply with their requirements.

Cardholder (*print name*)

Cardholder (*signature*)

Date