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# TRANSBAY JOINT POWERS AUTHORITY

Board Policy No. 006

Category: Financial Matters

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## CREDIT CARD POLICY

The Transbay Joint Powers Authority (the "TJPA" or "Authority") is a joint powers agency organized and existing under the laws of the State of California. Pursuant to the Joint Powers Agreement creating the TJPA, dated April 4, 2001 (the "Agreement"), the TJPA has the authority to make and enter into contracts, to acquire real and personal property and to exercise all powers necessary and proper to carry out the provisions of the Agreement.

### I. Purpose

Credit cards provide the TJPA with a cost-effective, convenient and streamlined method of purchasing items, thereby reducing the volume of individual payments processed by the TJPA to vendors. Some TJPA vendors require a credit card to initiate an account, which may be necessary to avoid out of pocket expenses and reimbursement for TJPA staff.

The use of credit cards is not intended to circumvent the TJPA policy on purchasing or compliance with Federal, State, and local regulations.

### II. Procedures for Obtaining Credit Cards

The Executive Director may establish a credit card in the name of the TJPA with a financial institution provider for TJPA official use only. The TJPA must receive monthly statements from the financial institution provider.

The Executive Director shall establish procedures and forms for implementing and monitoring a credit card purchasing program that includes, but is not limited to, the following:

1. A dollar limitation on the credit card;
2. A dollar limitation of purchasing authority assigned to the cardholder per transaction made with the credit card;
3. A dollar limitation of purchasing authority assigned to the cardholder for the total of all charges made during each monthly billing cycle;
4. Merchant category blocking.

### **III. Authorized Card Use**

Cardholders are authorized to use the card to purchase merchandise or services required as a function of their duties at the TJPA. TJPA credit cards are to be used only for the purchase of goods and services in the ordinary and necessary course of official TJPA business. Unauthorized and/or inappropriate card use is addressed in Part IV of this policy.

All purchases must conform with the TJPA Board Policy No. 001: Procurement Policy. A purchase made with a credit card may be made in-store, by telephone, fax, internet or U.S. mail.

### **IV. Unauthorized And/Or Inappropriate Card Use**

Credit cards must never be used to purchase items for personal use or for non-TJPA purposes, even if the cardholder intends to reimburse the TJPA.

Unauthorized and/or inappropriate card use includes, but is not limited to:

1. Items for personal use;
2. Items for non-TJPA purposes;
3. Cash or cash advances;
4. Food and beverages for an individual employee (Authorized cards may allow for food and non-alcoholic beverages for business-related meetings in compliance with system procedures and after obtaining approval for special expenses.);
5. Alcoholic beverages;
6. Weapons of any kind or explosives;
7. Relocation expenses;
8. Entertainment;
9. Recreation;
10. Expenses other than those incurred by the assigned TJPA employee or officer named on the credit card.

A cardholder who makes an unauthorized purchase with the card or uses the card in an inappropriate manner will be subject to revocation of the credit card and disciplinary action including restitution to the TJPA for unauthorized purchases, possible card cancellation, termination of employment at the TJPA, and criminal prosecution, as well as reimbursement of the unauthorized use.

If any item purchased with a credit card is not acceptable, arrangements must be made for a return for credit or an exchange. A cash refund or check is prohibited unless the vendor insists

that a refund must be by cash or check, then the funds must be deposited immediately with the TJPA.

## **V. Responsibility and Accountability**

It is the responsibility of each individual cardholder to:

1. Safeguard the credit card and credit card account number at all times; lost or stolen credit cards must be reported immediately in accordance with TJPA or system procedure;
2. Keep credit card in a secure location at all times;
3. Not allow anyone else to use the credit card and/or credit card account number;
4. Obtain and retain original itemized receipts for goods and services purchased. All forms of canceled checks and copies of credit card bills do not substitute for original receipts. An employee may be allowed to file an affidavit in lieu of a receipt if the original receipt is lost or a receipt is not obtained;
5. Review in a timely manner monthly statements from the financial institution provider for accuracy and ensuring all transactions posted are legitimate transactions made by the cardholder. Receipts and/or packing slips and the customer's copy of the charges must be attached to the monthly statement. The authorized user of the credit card must sign the statement that the goods have been received;
6. Surrender the credit card and corresponding support documentation to the Card Administrator or Coordinator prior to separation from the TJPA as requested. The cardholder will review with the Card Administrator or Coordinator the status of all unreconciled, questionable, partially approved, unresolved, and disputed transactions, and identify any goods and/or services which have been ordered but not yet received, so appropriate actions can be taken to complete these activities;
7. Take any other steps necessary to ensure that the credit card is used only for authorized purposes.

The TJPA shall conduct periodic reviews for proper card use. Credit card records will be audited from time to time.