
TOWN OF MILFORD FINANCE DEPARTMENT
Policy 2012-01

TO: ALL DEPARTMENT HEADS, BOARDS, COMMISSIONS, COMMITTEES
FROM: JACK SHEEHY, DIRECTOR OF FINANCIAL OPERATIONS
SUBJECT: CREDIT CARD PURCHASING POLICY
DATE: 6/7/2012

A credit card purchasing policy was adopted by the Board of Selectmen at their May 14, 2012 meeting. Please read the attached policy. Also attached for your information is the Town's Purchasing and Procurement Policy which is referenced by the credit card policy.

The Credit Card Purchasing Policy is in effect immediately and requires a signed agreement to accept town credit card form for those employees with a Town credit card. This form is attached. Please complete, sign and return to the Finance Department.

If you have any questions, please feel free to call me or stop by to see me.

Please remember that all credit card transactions shall be processed immediately upon use by submitting a completed and signed Accounts Payable Distribution slip along with the credit card receipt to the Finance Department. Do not wait for the credit card statement, as this will result in delays in processing payments and could result in unnecessary finance charges.

Town of Milford
Town Hall
1 Union Square
Milford NH 03055

Credit Card Purchasing Policy

1. Authority

This policy is adopted by the Board of Selectmen in accordance with NH RSA 31:39 as it relates to its management of the Town's prudential affairs and its authority over expenditures.

2. Purpose

To establish the policy for the use of Town credit cards by Town employees for Town purchases and intended to accomplish the following:

- a. To ensure that the procurement with credit cards is accomplished pursuant to the policy established by the Board of Selectmen.
- b. To enhance productivity, significantly reduce paperwork, improve controls, and reduce the overall cost associated with approved purchases.
- c. To ensure appropriate internal controls are established so that credit cards are used for authorized purposes only.
- d. To ensure that the Town bears no legal liability from inappropriate use of credit cards.

3. Scope

The Finance Director along with the Town Administrator will make all decisions regarding the issuing of individual cards and the establishment of any and all additional controls for their use.

4. Policy

- a. A Town Credit card shall only be issued to a Department Manager, or the Department Manager's designee with approval of the Town Administrator.
- b. The credit limit of each card shall be \$2,000 with the exception of the Recreation Departments Director's credit card, which shall be \$5,000.
- c. All requirements of the Town's Purchasing Policy shall apply to the use of credit cards.
- d. All purchases of goods or services made with the Town credit card shall be budgeted and allowable.
- e. Town issued credit cards SHALL NOT be used:
 - To purchase alcohol or entertainment.
 - For cash advances (ATM's, traveler's checks, money orders, etc.)
 - To pay invoices or statements of any kind.
 - For personal purchases of any kind, even with the intention of reimbursing the town.
 - For any purchase not for the benefit of the Town of Milford.
- f. All purchases made with credit cards shall be paid for within the grace periods so that no interest charges or penalties will accrue.