

LONDON PUBLIC LIBRARY POLICY

Title of Policy: Credit Card
Policy Type: Board Operational Linkage
Policy No.: F-AM-03
Effective Date: April 27, 2017

Review: April 2021

PURPOSE:

London Public Library (LPL) corporate credit cards are issued to certain designated Library Employees for use in their jobs to enable the purchase of goods and services. The purpose of this policy is to:

- Govern acceptable and unacceptable uses and to
- Address the methods and procedures by which LPL Employees will be governed when making purchases with an LPL issued credit card.

SCOPE:

This policy covers the procurement of goods and services by the London Public Library Board (as defined in section 1 of the *Public Libraries Act*), CEO & Chief Librarian (CEO) and all Employees of the London Public Library.

Any use of an LPL credit card shall be in accordance with the terms of procurement and spending limits of the *LPL Procurement Policy* and all other applicable Library policies, guidelines and procedures.

DEFINITIONS:

“**Authorized**” means that prior approval has been received for the activity from the designated approval authority.

“**Cardholder**” means an Employee who is authorized to hold and use a Library credit card as a purchasing agent of the Library.

“**Employee**” means a person who is permanently employed by the Library.

“**Receipt**” means the original document showing the name of the vendor, date, amount and description of the expenditure.

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ACCOUNTABILITY:

The credit card will be issued to Employees designated by management only where their position requires that they need to make purchases that are: on line; one time; involve procurement when urgency is necessary; and/or when an item is not otherwise available.

Allocation of a card can only be authorized by the CEO and Director, Financial Services or, in the case of the CEO; approval is by the Library Board Chair and Director, Financial Services.

Issuing a card to an Employee is based on the need to purchase goods and services for the Library and the card may be revoked based on change of assignment. The provision of a credit card is not an entitlement.

The credit card is user specific and therefore only Employees authorized with the credit card issuing company at the time of the card's issue shall purchase an item using the card. No further delegation of authority is permitted in making transactions.

In certain and authorized cases, an Employee may use the card for Library business activities, or when the authorized cardholder is outside of the City of London on business.

Every card will have a predetermined spending limit.

The LPL credit card will not be used:

- For any purchase of goods and/or services that are prohibited under LPL's Procurement Policy;
- For any personal or private purchase, i.e. any purchases benefitting anyone or anything other than the Library;
- When the total purchase price exceeds the purchase limit on the card;

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- When an exclusive contract with another vendor is in effect; and/or
- For alcohol.

SPENDING AUTHORITY:

The dollar limit for individual purchases and monthly spending limit will be determined by the Director, Financial Services based upon the expected monthly level of procurement. Purchases must not be split to circumvent the approval limits.

Any credits/returned merchandise must be credited to the card used for the original purchase.

Transactions will be supported by a receipt. All purchase receipts over one hundred dollars (\$100) must be accompanied by an approved purchase requisition.

No cash advances and no cash refunds are permitted.

ADMINISTRATION AND APPROVALS:

Transactions are subject to review by Financial Services to ensure compliance with the *LPL Procurement Policy* and *Fraud Policy and Risk Management Plan*. Compliance issues will be reviewed and will mean revocation of the credit card purchasing privileges.

The credit card receipt must be submitted to Financial Services immediately to ensure sufficient time to verify all purchases, and to ensure payment is made by the due date for payment.

The credit card receipt shall be accompanied by detailed invoices and/or itemized receipts for each purchase as well as the supporting purchase requisition for items over one hundred dollars (\$100). All receipts must have detailed information, including the HST, and must be attached to the statement. The account number for each expense must be detailed on the purchase order, or receipt for items fewer than one hundred dollars (\$100).

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The credit card statement and supporting documentation must be signed and dated by the credit card holder and submitted to the appropriate Manager/Director/CEO for approval before submission to Financial Services. The CEO's statement must be signed by the Board Chair.

MISUSE AND/OR FAILURE TO MEET CARDHOLDER'S RESPONSIBILITIES:

The cardholder is responsible for immediately reporting loss or theft of the credit card, or any credit card fraud, to the issuing company and to Financial Services.

Misuse, or failure to comply with the Library's Procurement policy, will result in cancellation of the Employee's authority to use the credit card and/or further disciplinary action up to and including termination of employment.

If an Employee improperly uses a Library credit card for any unauthorized transaction, such as for personal use, the costs(s) of such transactions will be the financial responsibility of the Employee and that Employee will be required to reimburse the Library.

INQUIRIES:

Director, Financial Services
CEO & Chief Librarian

KEYWORDS:

credit card
buying

RELATED DOCUMENTS:

Business and Travel Expense Policy
Fraud Policy and Risk Management Plan
Procurement Policy

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DOCUMENT CONTROL:

Approved: March 28, 2013 (L13/17.2)
Revised: April 27, 2017 (L17/23)