

**KING COUNTY WATER DISTRICT NO. 125
KING COUNTY, WASHINGTON**

RESOLUTION NO. 15-10-14-471

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF KING COUNTY WATER DISTRICT NO. 125 ADOPTING AND ESTABLISHING A DISTRICT POLICY FOR CREDIT CARD USE BY EMPLOYEES/OFFICIALS.

WHEREAS, RCW 43.09.2855 authorizes King County Water District No. 125 ("District") to use credit cards for official government purchases and acquisitions; and

WHEREAS, it is important to have clear policies in place detailing guidelines for appropriate behavior for employees and commissioners; and

WHEREAS, such a policy bring King County Water District No. 125 into compliance with the auditing requirements of the State Auditor's Office; now, therefore

BE IT RESOLVED, that the Board of Commissioners of King County Water District No. 125 adopts the attached policy, Marked as Exhibit A, as the official King County Water District 125 district policy for credit card use by employees and officials.

ADOPTED by the Board of Commissioners of King County Water District No. 125 at the regular open public meeting thereof held the 14th day of October, 2015.

BOARD OF COMMISSIONERS
KING COUNTY WATER DISTRICT NO. 125

By: 
Commissioner

By: 
Commissioner

By: 
Commissioner

EXHIBIT A

King County Water District 125

Credit Usage Policy

I. Purpose and Scope

To establish the District's Policy on the use of District credit cards to transact official District business. This policy shall be interpreted to provide for the use of credit cards by authorized persons to the fullest extent allowed by law including RCWs 43.09.2855 and 42.24.115.

II. Definitions

As used in this policy, the term "credit card" means a card or device issued under an agreement pursuant to which the issuer (credit card company) gives to the card holder (the District) the privilege of obtaining credit from the issuer. Credit cards include cards imprinted with a specific named individual user, cards imprinted with the name of the District, and cards issued for use by the District with a specific vendor.

III. Policy

A. Issuance and use of credit cards

1) The General Manager and Comptroller are authorized to obtain District credit cards under the following system which provides for distribution, authorization, control, credit limits and payments of bills through the use of credit cards by employees and Commissioners.

a. Credit Cards may be issued to King County Water District No. 125 and used by authorized personnel for purchasing goods, services, supplies and other items from vendors; including registration, and training and

travel expenses in connection with the performance of their duties on behalf of the District. Each card shall be imprinted with the name of an individual responsible for the charges on that card and must be "signed for" by that individual on the receipts for all transactions.

b. Gas Credit Cards may be issued to authorized personnel for purchasing gas for District vehicles and reserve storage.

c. Credit lines for vendors approved by the General Manager may be issued to King County Water District No. 125 and used by authorized personnel for purchasing goods, services, supplies and expenses in connection with the performance of their duties on behalf of the District.

d. Upon authorization from the General Manager, Commissioners and employees may obtain a credit card from the Comptroller who shall maintain a ledger of individuals receiving credit cards, including the date the card was received. The General Manager shall implement accounting controls to promote the proper use of credit cards and reduce the risk of misuse.

e. Credit Card limits shall be set administratively for each card, reflecting among other things purchases expected to be made during the typical billing cycle and additional credit capacity needed in an emergency of other contingency. This limit shall not exceed \$10,000.

f. No Commissioner or employee shall use the District-issued credit card for non-District business purposes.

g. Cash advances on credit cards are prohibited.

2) Expenses to authorize travel may be charged to a District-issued credit card provided the Commissioner or employee returns to the District with credit card receipts and the travel

was approved by the Board of Commissioners or General Manager.

3) Failure to provide detailed receipt documentation as required by this policy may result in the user being responsible for the charge. If certain credit charges are disallowed as a result of an audit or District policy, such charge must be repaid to the District with the District having the right to withhold funds payable to the commissioner or employee up to the amount of the disallowed charge including interest at the rate charged by the credit card company.

4) Misuse of a District credit card may result in disciplinary action as outlined in the District's union contract.

B. Procedures

1) Receipts or payment documentation must be obtained for each credit transaction. The purpose of the charge and the name of the vendor must be clearly written on the receipt. Receipts are to be turned in to the District comptroller for reconciliation and payment.

2) Any purchase of over \$500 must have prior approval from the Board of Commissioners or General Manager.

3) The Comptroller will verify all credit expenditures against the monthly transaction summaries provided by District vendors.

a. Any discrepancies will immediately be brought to the attention of the General Manager for further review.

b. Employees that have not provided a receipt for the charges they incurred will be notified within 5 days of receiving the monthly statements.

C. Control

- 1) The General Manager is authorized to revoke the use of any credit card issued and immediately require the surrender of the credit card. The General Manager may deliver a revocation order to the credit card company with the District not being liable for any future costs incurred after the date of revocation. Credit cards are to be returned to the District immediately upon ending employment.
- 2) The General Manager is authorized to adopt any additional rules or policies necessary to implement the provisions of this policy.