
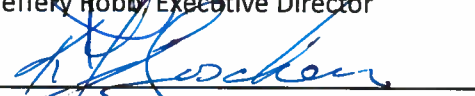


Approval Required (check box) <input checked="" type="checkbox"/> Commissioners (Policy) <input checked="" type="checkbox"/> Executive Director <input checked="" type="checkbox"/> Director	Approved By:  2-12-13 Jeffrey Robby Executive Director  Karen Goschen, Director of Finance	Approval Reference (if applicable) Res 13-1058 Effective Date: Feb 11, 2013
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I. PURPOSE

To set guidelines for proper use of Port charge cards, to comply with various RCWs for payment of claims for expenses (RCW 42.24), and to comply with RCW 43.09.2855 which requires the legislative body to adopt a system of rules for charge cards. This charge card policy supplements the Port's Travel Policy.

Charge cards include credit cards, purchase cards, procurement cards and other account cards issued in the name of the Port for a Department or individual employee.

II. POLICY (Per Resolution 13-1058)

1. The Port Executive Director is authorized to contract for issuance and use of Port charge cards, including establishing policies and procedures, pursuant to RCW 43.09.2855 and RCW 53.08.176 as presently codified or hereafter amended.
2. Port Commissioners and employees are expected to exercise prudent judgment when incurring expenses on Port charge cards. Charge cards issued in the name of the Port shall not bind the Port to payment of sums resulting from the improper use of such cards by Port employees or others.
 - a. Type of Use – Charge cards must be used for official Port business only, and may include the purchase of goods and services and travel expenses. Use of charge cards shall comply with applicable Port resolutions, policies, and procedures regarding travel, business expenses, and promotional hosting.
 - b. Personal/non-Port charges – Any personal charges on Port credit cards by Port commissioners or employees constitute a lending of the Port's credit, and thus are strictly prohibited. Any personal/non-Port charges will establish a lien against the employee's salary for the disallowed charges. Any misuse that results in a suspected or actual loss will be reported to the State Auditor's Office and could include

revocation of the charge card and other progressive measures as deemed appropriate.

- c. Documentation – A fully itemized expense claim shall be submitted within 30 days of the billing date. If the charge card is used for travel, then a travel expense claim form shall be submitted.
 - d. Credit Limit – The Executive Director or Finance Director will set the single transaction limit and the monthly transaction limit for each charge card based on the needs of the Port. In no case will the monthly limit exceed \$10,000.
 - e. Administration – The Executive Director or his/her designee shall adopt such procedures as may be necessary or desirable to implement the provisions of this resolution.
3. Paragraph 4 of Commissioners' Resolution No. 713, adopted May 9, 1994 and pertaining to the same subject matter as this resolution is hereby repealed.

III. PROCEDURE

1. Authorization – All charge card transactions must be approved by the card user, and depending on the purchasing authority, the user's supervisor or the Executive Director. If the expenditure is deemed inappropriate, the card user will reimburse the Port. The Port may revoke charge card privileges for inappropriate use or for any reason.
2. Issuance – The Finance Director, with approval by the Executive Director, will issue charge cards to individuals or departments based on the needs of the Port.
3. Receipts/Verification – Receipts must be obtained for each charge card transaction, and they should be submitted within 30 days of the billing date. If a receipt is lost, the card user must contact the vendor for a replacement receipt or complete a Substitute Receipt form.

Charge card transactions have the same documentation and voucher requirements as any other Port purchase. A purchase order, approved invoice or expense claim form should accompany all charge card receipts.

4. Acceptable Charges

- a. Travel – Expenditures for conferences and class registrations; hotel reservations and lodging; parking; ferry and toll fees; taxis; airline tickets; meals; emergency repairs to Port-owned vehicles; and other reasonable and necessary expenses travel-related expenses.
- b. Gas – May be charged *for Port-owned vehicles only*. Gas for privately-owned vehicles is prohibited as the employee is reimbursed for mileage at rates set by the Port.
- c. Car Rental – Rental vehicles should be leased using a Port charge card when possible as vehicle insurance is one of its benefits.
- d. Purchases – Expenditures for ordering materials, equipment, small tools and supplies, including online purchases, subject to the user's authorized limit.
- e. Other – Any other reasonable and necessary expense while engaged on official Port business.

5. Unacceptable charges – Personal purchases of any kind; cash advances; fines (traffic citations, parking tickets, etc.); fees for sporting events, sightseeing trips, fitness memberships, beauty/barber shops, valet services, movies tickets, video rentals, gift shop items, child care, or similar items. Some entertainment expenses may be permissible if in compliance with the promotional hosting policy.

6. Non-Port Expenses – All personal or non-Port expenses included on a bill, such as a lodging bill, must be paid separately and personally, at the time of checkout by the Port commissioner or employee. Request must be made to have the business and personal/non-Port charges split into separate bills for payment. Reminder, personal or non-Port charges are prohibited on Port credit cards.

IV. CONTROL

1. Documentation – All charge card purchases must be supported by an invoice or other proper supporting documentation. If the charge card is used for travel, then a travel expense claim form shall also be submitted.
 - a. Acceptable documentation includes:

- The receipt from the vendor, e.g. the cash register receipt accompanied by the purchase card receipt
- A printout from the internet that clearly shows what was purchased, the amount, etc.
- The hotel invoice that shows the bill was paid by the Port charge card
- Airline tickets that are printed should have a third page that indicates it is a receipt. Electronic airline tickets, including those purchased online, will also provide a receipt.

b. Unacceptable documentation includes:

- Charge card receipts you sign without the vendor receipt
- Airline boarding pass
- Itinerary
- Reservation
- Packing slip
- The documentation listed above is important but is insufficient to meet documentation requirements by itself

2. Responsibilities

- a. The card user is responsible for contacting vendors when purchased supplies are not acceptable, e.g. incorrect order, damaged goods, etc. and for arranging a return for credit or exchange. Charge cards will be returned to the Finance Director immediately upon leaving Port employment.
 - b. The Finance Director is responsible for charge card administration to include, but not limited to, selection of card provider, payment of charge card bills, managing the issuance of cards and establishing procedures for proper use. Charge card bills will be paid even if the charge card user has not submitted acceptable documentation since a lien against the employee's salary can be made. The Executive Director will be informed of untimely submission by the card user.
 - c. The Executive Director may disallow use of the assigned charge card for violation or misuse of the charge card in accordance with this policy, or for any reason deemed in the best interest of the Port.
3. Exceptions – Any exceptions to the policy and procedures must be approved in advance by the Executive Director.
 4. Cardholder User Agreement – Authorized individuals will sign a Charge Card User Agreement (Attachment A) before being eligible to use the card.

V. REFERENCES

1. Port Resolution No. 13 - 1058 - Issuance of Charge Cards
2. Port Resolution No. 713 – Travel and Other Business Expenses
3. RCW 42.24.115 – Municipal corporations and political subdivisions — Charge cards for officers' and employees' travel expenses.
4. RCW 42.24.080 – Municipal corporations and political subdivisions — Claims against for contractual purposes — Auditing and payment — Forms — Authentication and certification
5. RCW 43.09.2855 – Local governments — Use of credit cards.
6. RCW 53.08.176 – Commissioners, officers, and employees — Regulation of expenses.

ATTACHMENT A
CHARGE CARD USER AGREEMENT

I, _____, as an official or employee of the Port, accept personal responsibility for the safeguard and proper use of Port charge card number

_____, which has been assigned to me (or my Department) for use in the performance of my job, in accordance with the terms outlined below.

- Charge cards are to be used solely for:
 - Travel-related business expenses and conference/class registrations
 - Purchasing department supplies not to exceed my authorized limit

I have read and understand the charge card policies and procedures. I will keep the charge card in a safe place to prevent unauthorized usage.

I understand the Executive Director may disallow my use of a Port charge card for violation or misuse of the charge card and/or charge card policies and procedures.

I understand that each time I use a Port charge card I am adhering to the following statement:

“I hereby certify under penalty of perjury that this is a true and correct claim for necessary expenses incurred by me and that no payment has been received by me on account thereof.”

I also hereby certify that I will be held personally liable for any inappropriate charges I incur to the Port charge card and payment for any such inappropriate charge is hereby authorized to be withheld from my paycheck. When a Department card is issued, the employee personally liable for the card is the employee incurring the expenditure.

The undersigned individual has read and understands the above statements:

Employee

Date

Approved Limit of Card: \$ _____

Executive Director

Date

cc: Human Resources

Port of Port Angeles

Port Angeles, Washington

Commissioners' Resolution No. 13-1058

A RESOLUTION GOVERNING THE ISSUANCE OF CHARGE CARDS AND THE PAYMENT OF CHARGE CARD EXPENSES FOR TRAVEL AND OTHER BUSINESS EXPENSES.

WHEREAS, Commissioners and employees of the Port of Port Angeles routinely are engaged in official activities on behalf of the Port, and

WHEREAS, the use of charge cards is a customary and economical business practice to improve cash management and accountability, reduce costs, and increase efficiency, and

WHEREAS, RCW 43.09.2855, which provides for the use of charge cards by municipal corporations, requires the legislative body to adopt a system that provides for the distribution of charge cards, authorization and control of the use of charge card funds, credit limits, payment of bills, and any rule necessary to implement and administer the system;

NOW, THEREFORE, BE IT RESOLVED that:

1. The Port Executive Director is authorized to contract for issuance and use of Port charge cards, including establishing policies and procedures, pursuant to RCW 43.09.2855 and RCW 53.08.176 as presently codified or hereafter amended.
2. Port Commissioners and employees are expected to exercise prudent judgment when incurring expenses on Port charge cards. Charge cards issued in the name of the Port shall not bind the Port to payment of sums resulting from the improper use of such cards by Port employees or others.
 - a. Type of Use – Charge cards must be used for official Port business only, and may include the purchase of goods and services and travel expenses. Use of charge cards shall comply with applicable Port resolutions, policies, and procedures regarding travel, business expenses, and promotional hosting.
 - b. Personal/non-Port charges – Any personal charges on Port credit cards by Port commissioners or employees constitute a lending of the Port's credit, and thus are strictly prohibited. Any personal/non-Port charges will establish a lien against the employee's salary for the disallowed charges. Any misuse that results in a suspected or actual loss will be reported to the State Auditor's Office and could include revocation of the charge card and other progressive measures as deemed appropriate.

Port of Port Angeles

Port Angeles, Washington

Commissioners' Resolution No. 13-1058 cont'd

- c. Documentation – A fully itemized expense claim shall be submitted within 30 days of the billing date. If the charge card is used for travel, then a travel expense claim form shall be submitted.
 - d. Credit Limit – The Executive Director or Finance Director will set the single transaction limit and the monthly transaction limit for each charge card based on the needs of the Port. In no case will the monthly limit exceed \$10,000.
 - e. Administration – The Executive Director or his/her designee shall adopt such procedures as may be necessary or desirable to implement the provisions of this resolution.
3. Paragraph 4 of Commissioners' Resolution No. 713, adopted May 9, 1994 and pertaining to the same subject matter as this resolution is hereby repealed.

ADOPTED this 11th of February, 2013.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS


James D. Hallett, President


Paul L. McHugh, Vice-President


John M. Calhoun, Secretary