

RESOLUTION NO. 11192012-2

RESOLUTION AUTHORIZING CREDIT CARD USE

WHEREAS, the City frequently purchases merchandise that requires immediate payment; and,

WHEREAS, the current method of payment utilized by the City often creates difficulty when dealing merchants; and,

WHEREAS, the use of a credit card for making such purchases would resolve this issue.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF NEW CASTLE, INDIANA THAT the Clerk-Treasurer may apply for a credit card from a financial institution. Said credit cards maximum total limit should be no greater than \$10,000.00. The maximum single purchase on said card should not exceed \$2,500.00. The card should be issued to the City of New Castle and the Clerk-Treasurer or her deputy shall be the officials responsible for its use in accordance with this resolution. Said account should not be used as a method for incurring debt and the outstanding balance must be paid in full upon receipt of the monthly statement.

The purpose of the credit card is for City wide use so that small purchases in amounts less than \$2,500.00 may be made from merchants demanding immediate payment. After the card is used, it must immediately be returned to the Clerk-Treasurer or her Deputy for safe keeping. The Clerk-Treasurer or her Deputy shall maintain an accounting system or log which will include the names of the individuals requesting usage of the card, their position, estimated amounts to charged, fund and account numbers to be charged, and the date the card was delivered to the individual requesting usage and returned.

The use of credit cards shall not be considered as a bypass to the normal City's accounting system. Purchase orders must continue to be issued so that the Clerk-Treasurer's office has a means to encumber and track appropriations so that officials may be provided with timely and accurate accounting information and the accounting system might be monitored. Payment should only be made after those procedures necessary to pay any other claims are made. Supporting documents such paid bills and receipts must be available. Any interest or penalty incurred due to late payment or failure to furnish proper documentation by an officer or employee shall be the responsibility of that officer or employee. However this does not restrict the ability of the City to pay properly authorized annual credit card fees.

In all respects, use of the credit card must comply with guidelines established by the Indiana State Board of Accounts and good public accounting practices.

Nothing herein shall release the City from complying with State purchasing laws.

REPEALER: All resolutions or parts of resolutions in conflict herewith are hereby repealed.