

CITY OF NEW ORLEANS  
CHIEF ADMINISTRATIVE OFFICE

POLICY MEMORANDUM NO. 116(R)

July 27, 2010  
Effective: September 1, 2010

TO: All Departments, Boards, Agencies, and Commissions

FROM: Andrew D. Kopplin, First Deputy Mayor/Chief Administrative Officer

SUBJECT: CREDIT CARD ISSUANCE AND USE

I. PURPOSE.

The purpose of this memorandum is to establish an efficient and effective policy and procedure method for the use and issuance of credit cards to purchase goods and services.

II. STATEMENT OF POLICY.

It is the intent of this policy to enable employees to purchase items with the convenience of a credit card, while providing management with a means of maintaining control over those purchases. It will also improve the efficiency and effectiveness associated with the purchasing of goods and services.

III. DESCRIPTION OF CREDIT CARD AND AUTHORIZED CREDIT LIMITS.

The City of New Orleans shall use the City's primary credit card to purchase goods and services. The Department of Finance will be responsible for securing and issuing credit cards to assigned Departments and Personnel. Account credit limit(s) will vary between \$2,500.00 and \$15,000.00, as determined by the First Deputy Mayor/Chief Administrative Officer. The credit card limit will be applicable to all Classified and Unclassified Personnel. All credit cards will be insured with fraud protections and loss coverage.

IV. REQUEST FOR ISSUANCE.

Request for issuance of a credit card(s) shall be made to the departments' respective Deputy Mayor by the Appointing Authority or his/her designated representative. Upon approval by the Deputy Mayor, the Department of Finance shall have a credit card issued in the name of the designated employee and the City of New Orleans. Authorized credit card users are required to sign the Credit Card Employee Agreement prior to the issuance of a city credit card. (**Attachment A**).

**V. APPOINTING AUTHORITY GUIDELINES FOR ISSUANCE, USE AND RECONCILIATION.**

- A. It is the responsibility of the appointing authority or designated representative request the issuance of a credit card for employees of their department.
- B. Upon issuance, the appointing authority or designated representative must ensure that employees acknowledge receipt of the credit card as well as their role in properly caring for the card by signing or initialing a Property Issuance/Return Form (**Attachment B**) as referred to in Policy Memorandum No. 109. The credit card number, expiration date and credit limit must be recorded. A copy of this form must be retained in the employee's personnel file.
- C. The appointing authority or his/her designated representative must ensure proper maintenance of the card, prompt reconciliation of monthly statements and proper budgetary controls.
- D. The appointing authority of designated representative must ensure that all cards lost or stolen are reported immediately to the credit card company and the Department of Finance.
- E. The appointing authority or designated representative must provide the necessary training on proper use of the credit cards.
- F. The appointing authority or designated representative must notify the Department of Finance to terminate the use of credit card for any employee assigned a credit card who has resigned, retired or terminated from the service of the City of New Orleans. Any outstanding travel overpayment due to the City from an employee who has resigned or retired will be deducted from either the final or terminal leave disbursement check.
- G. The appointing authority or designated representative shall review and approve the monthly statement as well as receipts and purchase logs to verify that purchases are for city business related expenses. Only city business-related expenses shall be charged to the city issued credit card and that purchases for items that are personal in nature are strictly prohibited.
- H. Upon approval, the appointing authority or designated representative shall forward within fifteen (15) days of receipt of billing, copies of receipts and detail/purpose of expenditures to Department of Finance for payment.

**VI. CARDHOLDER RESPONSIBILITIES.**

The cardholder will utilize the credit card for the purchase of authorized goods and services and business related expenses in strict compliance with the Policy Memorandum No. 24(R)-Services and Moveable Property Procurements and Purchases and Policy Memorandum No. 9(R)-Travel and Business Expenses.

Cardholders shall:

- A. Ensure the credit card is used for legitimate business related expenses.
- B. Maintain the credit card in a secure location at all times.
- C. Not allow other individuals access to the City's credit card.
- D. Nor incur charges above the approved credit card limit.
- E. Not incur any charges for personal use.
- F. Use the credit card within the limits of CAO Policy Memorandum Nos. 24(R) and 9(R).
- G. Maintain receipts for all purchases and supporting documentation, as well as packaging receipts, ordering documents or documentation that includes the description of items and prices for purchases in which a receipt is not generated.
- H. Review monthly statements to verify the accuracy of purchases listed. If inaccuracies are found, cardholders shall contact the credit card company to review and/or attempt to resolve the matter with the vendor.
- I. Submit a signed reconciled credit card statement with a receipt and explanation for each charge incurred to appointing authority or designated representative for review and approval.
- J. Immediately notify the credit card company, the appointing authority or designated representative, and the department of Finance, if the credit card is lost or stolen. If the credit card was stolen, a report should be filed with the New Orleans Police Department. In addition, the employee must complete a copy of **Attachment C**, Report of Lost, Damaged or Stolen Property, from Policy Memorandum, No. 109.
- K. Return the credit card to the Appointing Authority or designated representative immediately upon termination, resignation or promotional transfer.

VII. CARD MISUSE.

Any employee suspected of having misused the credit card with the intent to defraud the city will be subject to an investigation. Should the findings result in sufficient evidence of fraud the employee will be subject to disciplinary action and/or criminal charges.

**VIII. ENFORCEMENT.**

All charges and supporting documentation are subject to review by the respective Deputy Mayor. If the charges or documentation are not acceptable, the Deputy Mayor has the discretion to suspend and/or require reimbursement of any charge incurred.

**IX. INQUIRIES.**

Questions regarding this policy may be addressed to the Budget and Operations Management Division of the Chief Administrative Office and the Department of Finance.

**For further information, please refer to Policy Memorandum 109 - Regulations Pertaining to Assignment, Usage and Care, and Return of City Property by Employees.**

ADK/CBB/cbb

Attachments