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ORDINANCE NO. 3011

AN ORDINANCE of the City of Port Angeles, Washington, adopting a system for the issuance, use and control of credit cards by City officials and employees, directing the Finance Department to adopt rules and procedures to implement such system, and amending Ordinance 2628 and Chapter 3.05 of the Port Angeles Municipal Code.

Whereas, the City Council, upon the recommendation of the City Manager and the City's Finance Department, finds the use of credit cards to be an appropriate and useful means of making payment for a variety of types of purchases, including emergency purchases, purchases of small items, one-time purchases from vendors, and travel expenses; and

Whereas, the State legislature finds that the use of credit cards is a customary and economical business practice to improve cash management, reduce costs, and increase efficiency; and

Whereas, RCW 43.09.2855 provides that any city which contracts for the issuance and use of credit cards must adopt a system for the distribution, authorization, credit limits, payment and control of such credit cards,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PORT ANGELES DOES HEREBY ORDAIN as follows:

Section 1. Ordinance 2628 and Chapter 3.05 of the Port Angeles Municipal Code are hereby amended by adding Section 3.05.050 to read as follows:

3.05.050 Definition of Credit Card. As used in this Chapter, "credit card" means a card or device issued under an arrangement pursuant to which the issuer gives to a cardholder the privilege of obtaining credit from the issuer.

Section 2. Ordinance 2628 and Chapter 3.05 of the Port Angeles Municipal Code are hereby amended by adding Section 3.05.060 to read as follows:

3.05.060 Issuance, Use and Control of Credit Cards. The City Council hereby adopts the following system for the issuance, use and control of credit cards by City officials and employees:

A. The Finance Department shall implement the following system for the distribution, authorization, control, credit limits and payment of bills related to the use of credit cards by City officials and employees:

1. Distribution. Credit cards will be distributed to those City officials and employees who have job responsibilities which would be facilitated by the use of a credit card and

the credit card use would benefit the City. This shall include the City Council, City Manager, Department Heads, Division Managers, and other officials and employees as determined by the City Manager.

2. Authorization and Control. The Finance Department shall develop the implementation guidelines and accounting controls to ensure the proper usage of credit cards and credit card funds.

3. Credit Limits. The Finance Department shall set credit limits on each credit card issued. The credit limit shall not exceed \$2,500 without written approval of the City Manager.

4. Payment of Bills. The Finance Department shall establish and implement a written procedure for the payment of all credit card bills.

5. Unauthorized Charges. No employee shall use the City-issued credit card for non-City business use. Any employee who violates this policy by using a City-issued credit card for non-City business shall be subject to disciplinary action and shall be billed for all charges on the credit card. The City Manager or his/her designee is authorized and directed to make payroll deductions to recover any unauthorized charges.

6. Cash Advances. Cash advances on credit cards are prohibited.

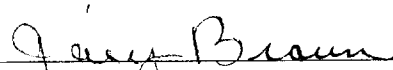
B. The Finance Department is authorized to adopt any additional procedures or policies necessary to implement the provisions of this section.

Section 3 - Severability. If any provisions of this Ordinance, or its application to any person or circumstances, is held invalid, the remainder of the Ordinance, or application of the provisions of the Ordinance to other persons or circumstances, is not affected.

Section 4 - Effective Date. This Ordinance shall take effect five days after the date of publication.


PASSED by the City Council of the City of Port Angeles at a regular meeting of said Council held on the 16th day of February, 1999.

ATTEST:


Gary Braun, Mayor


Becky J. Upton, City Clerk

APPROVED AS TO FORM:


Craig D. Knutson, City Attorney

PUBLISHED February 21, 1999
(By Summary)