830 West Lauridsen Boulevard
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CLALLAM TRANSIT
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Policy Title: Credit Card Use Policy		Policy No.: 20-340
Review Responsibility: Cherie Huxtable, Finance Manager	Approved By: Jason McNickle, General Manager	
Authorized By: Clallam Transit System Resolution No. R2:2023 original resolution		Effective Date: 06/17/2026

1. PURPOSE

The purpose of this policy is for Clallam Transit System (CTS) to set guidelines for proper use of credit cards issued to CTS employees and establish minimum controls around managing those cards.

2. POLICY

A. The finance manager, unless otherwise delegated by the general manager, is authorized to contract for issuance and establish guidelines for use of CTS credit cards pursuant to RCW 43.09.2855 and RCW 42.24.115.

B. CTS Employees assigned a company credit card are expected to use good judgement when incurring expenses on a CTS credit card to ensure only authorized company expenses are being charged. Types of authorized expenses include:

- **2.B.1** Travel expenses outlined in the *CTS Employee Travel Handbook* during official business travel
- **2.B.2** Pick and pay purchases as defined in the *CTS Procurement Policy 20-001*
- **2.B.3** Online purchases
- **2.B.4** Order and Deliver procurements where an established open line of credit is not established with the vendor
- **2.B.5** Prior approved business meals and light refreshments (*CTS Business Meals and Light Refreshments Policy 20-350)*
- **2.B.6** Awards and banquet costs as authorized by the *CTS Employee Recognition Policy 10-010*
- **2.B.7** Job-affiliated expenses incurred by the general manager while representing CTS, as provided by the General Manager's employment contract

C. Unauthorized purchases include but are not limited to:

- **2.C.1** Cash advances
- **2.C.2** Items or services for personal use
- **2.C.3** Expenses incurred to pay for a spouse or other persons not authorized under agency policies
- **2.C.4** Alcoholic beverages
- **2.C.5** Celebrations or gifts not authorized under the *CTS Employee Recognition Policy*
- **2.C.6** Fuel for privately owned vehicles
- **2.C.7** Charges that exceed the employee's procurement limits as outlined in *Appendix A* of the *CTS Procurement Policy*

D. Employees will reimburse CTS for any unauthorized purchases and any interest charged by check, United States currency, or payroll deduction before the credit card billing cycle end, or within 14 days, whichever is sooner.

E. Employees assigned a departmental credit card for travel or other authorized purchases, will return the card to their department's office manager or the administrative department within 24 hours upon return from travel.

F. Misuse of a CTS credit card may result in disciplinary action, termination, and/or legal action.

3. PROCEDURE

A. Upon request of the employee's department manager, under the *CTS Procurement Policy* authorization, the finance manager will issue a credit card to the employee.

B. Credit limits will be set according to the current procurement limits set by Appendix A of the *CTS Procurement Policy*.

C. Original itemized receipts with a clear description of the items purchased are to be submitted to finance with the appropriate approval form.

3.C.1 Authorization for credit card purchases has the same documentation requirements as any other CTS purchase. A purchase order packet, micro-purchase approval form, or travel authorization should be included with the receipt when submitted to finance.

D. In the event of a lost or destroyed receipt, the employee will be required to submit a completed *Affidavit for Missing Receipt*.

E. Finance will maintain a detailed list of all employees assigned a company credit card, including credit limits, single purchase limits, expiration dates, and the last four numbers of their account.

F. Finance will keep a detailed list of all credit card violation occurrences.

3.F.1 In accordance with RCW 43.09.185, any personal use or purchases not authorized by CTS will be reported to the State Auditor's Office (SAO) as "…known or suspected loss of public funds or assets or other illegal activity.", regardless of dollar amount, an employee's intent, or eventual resolution.

G. Finance will reconcile and remit payment to the credit card companies using the current finance procedure.

H. All employees assigned a CTS credit card will sign a *CTS Credit Card User Agreement*.

4. ADMINISTRATIVE AND REGULATORY CHANGES

A. Regulatory Changes
To facilitate the regular business routine of CTS, the CTS board authorizes and designates the CTS general manager to approve and implement subsequent changes to the policy that may be required to be in compliance with federal and state regulatory changes or clarifications. The board will be notified of all policy changes.

B. Administrative Changes
The board authorizes and designates the general manager to approve and implement subsequent administrative changes to the policy which are deemed appropriate in order to facilitate the regular business routine of CTS. The board will be notified of all policy changes.

5. REFERENCES

- **A.** CTS Employee Travel Handbook
- **B.** CTS Procurement Policy
- **C.** CTS Business Meals and Light Refreshments Policy
- **D.** CTS Employee Recognition Policy
- **E.** CTS Credit Card User Agreement

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CTS Credit Card User Agreement

1. I understand the Clallam Transit System (CTS) credit card is intended for purchases of business-related goods or services and not for my personal use.
2. I understand that if I am issued a card in my name, I am the only person authorized to use the card, and I am responsible for all charges made to the card.
3. I understand that if I am using a departmental card, I am doing so after getting authorization from my department manager or supervisor, and I am responsible for all charges made during the time the card has been assigned to me.
4. I understand that improper use of the card may result in disciplinary action, up to and including termination.
5. I understand that I am required to provide itemized receipts to my department manager for approval if the amount is above my purchase authority.
6. I understand that if a charge is not approved by my department manager, I will be held personally accountable to repay CTS within 14 days or before the statement cycle end date, whichever is sooner. In the event that my employment at CTS has been terminated before repayment is made, a payroll deduction will be made to reimburse CTS for the unauthorized purchase plus any interest charged by the credit card company.
7. I understand that personal use or purchases not authorized by CTS will be reported as suspected loss or illegal activity, regardless of the circumstances or of eventual resolution.
8. I understand that I am responsible for reporting fraudulent charges and resolving any discrepancies by contacting the credit card company directly, as well as notifying the finance department.
9. I will safeguard any credit card issued to me and use appropriate security when using the card.
10. If my card is lost or stolen, I will notify the credit card company and the finance department immediately.
11. I understand that the credit card is the property of CTS and must be immediately surrendered upon termination or at the demand of the finance manager or general manager.

_________ (Initial) I hereby acknowledge receipt of CTS credit card ending in __ __ __ __

As the assigned user of a CTS credit card, I agree to comply with the terms and conditions of this agreement. I have read and understand *CTS Credit Card Use Policy 20-340.*

Employee Signature: ____ Date: ____________

Employee Name: ____