

**NORTHWEST ARCTIC BOROUGH ASSEMBLY
ORDINANCE 17-01**

**AN ORDINANCE OF THE NORTHWEST ARCTIC BOROUGH
ASSEMBLY AMENDING CHAPTER 6.16 TO PROVIDE FOR
ADDITIONAL GUIDELINES FOR BOROUGH CREDIT CARD
USAGE AND FOR RELATED PURPOSES.**

WHEREAS: the Borough Assembly wishes to amend Chapter 6.16 of the Borough Code to provide additional guidelines for Borough credit card usage in order to ensure fiscal responsibility and use of per diem for daily travel expenses; and

WHEREAS: the Assembly has determined that it is in the Borough's best interest to provide for additional guidelines for credit card use as outlined in this Ordinance.

**NOW THEREFORE BE IT ENACTED BY THE NORTHWEST
ARCTIC BOROUGH ASSEMBLY:**

Section 1: Chapter 6.16 of the Borough Code is amended as follows, with additions indicated by underline in blue and deletions by ~~strikethrough in red~~:

6.16.350 Credit card usage.

- A. The purpose of this section is to establish the procedures utilized by the procurement officer in the distribution, authorization, control and payment of bills related to the use of credit cards issued to or for the benefit of the borough and used by borough elected officials and employees.
- B. The authority to assign credit cards is the responsibility of the procurement officer or designee. Credit cards may be distributed to those borough elected officials and employees who, in the opinion of the procurement officer, have official borough duties and responsibilities that would benefit or otherwise be facilitated by use of a credit card. The activation and administration of all credit cards shall be coordinated through the finance department. The individual to whom the card is issued is responsible for the card and its proper use.
- C. All elected officials and employees who use borough credit cards shall satisfy the criteria established for credit card use. Prior to the assignment and activation of a credit card, all persons assigned a credit card must sign and agree to specific conditions and requirements as determined by the procurement officer or designee.

D. All credit cards shall have a credit limit of up to \$3,000, except the assembly president whose credit card shall have a credit limit of \$5,000, principal staff whose credit card shall have a credit limit of \$9,000, and the borough mayor whose card may have a credit limit of up to \$15,000.

E. The use of a borough credit card is for official borough business only, and all credit card purchases must be within established appropriations. Issuance of a borough credit card does not indicate preapproval of expenditures or expenses.

Individual borough officials and employees are responsible for using their own per diem for meals and travel expenses that fall under the general category of those intended for per diem. Use of credit cards for group meal purchases for borough officials and employees should be minimized. Under no circumstances may a borough credit card be used to purchase a meal for a group of more than six people.

F. All credit balances shall be paid in full each month according to each monthly statement received and shall not become debts of the borough. The original monthly statements shall be kept on file in the borough finance department. The borough treasurer or designee is responsible for verifying and reconciling all credit card usage and charges pursuant to this section and the borough code.

G. Whenever possible, credit cards will not be used in lieu of the normal procurement and purchasing procedures of the borough. The use of credit cards shall be limited to those instances in which there is a demonstrated need to perform essential borough business, to improve borough management efficiency in the best interest of the borough, or in situations in which necessary purchases and procurement cannot be provided by any other procurement means.

H. All credit card holders are responsible for delivery of all original credit card receipts or other appropriate documentation for every credit card purchase describing and appropriately coding each transaction to the procurement officer or designee not later than 10 days after use. In the event of a lost or missing receipt, the credit card holder must complete a statement explaining the absence of the documentation and confirming that the expenses were legitimately incurred in the conduct of borough business. Any purchases made without such documentation may be cause for deactivation of that credit card. Failure to comply with this section may constitute grounds for disciplinary action and may subject the violator to be held responsible for the cost of said purchases.

I. Borough elected officials and employees who are assigned credit cards are required to immediately report any damaged, lost or stolen credit card to the procurement officer, or designee. All damaged, lost or stolen credit cards shall be deactivated. When the borough elected official or employee no longer requires use of

a credit card, it is the responsibility of the elected official or employee to ensure that the credit card is immediately returned to the procurement officer. Failure to comply with this section shall constitute grounds for disciplinary action and may subject the violator to be held responsible for monetary losses incurred by the borough caused by a delay in reporting the theft or loss or returning a credit card.

J. The procurement officer or mayor may immediately cancel or order the surrender of any card that appears to have been misused. If any credit card holder uses a borough credit card for purchases for personal business, personal purchases of any kind or purchases otherwise contrary to public policy forbidden by law or otherwise disallowed, the procurement officer reserves the right to set aside such purchase and hold the person authorizing the purchase personally liable for any charges, interest, fees, fines or any other damages caused by the unauthorized purchase and may subject the card holder to disciplinary action under applicable borough and state law.

K. The procurement officer is authorized to implement any additional policies or administrative procedures necessary to implement the provisions of this section, including developing any specific administrative guidelines and accounting controls to ensure the proper usage of credit cards and borough funds. (Ord. 13-11 § 1, 2014; Ord. 09-04 § 1, 2009; Ord. 03-08 § 1, 2003. Formerly 6.16.430)

Section 2: This Code Ordinance shall be effective immediately.

PASSED AND ADOPTED THIS 28th DAY OF March 2017.



Carl Weisner, Assembly President

PASSED AND APPROVED THIS 28th DAY OF March 2017.



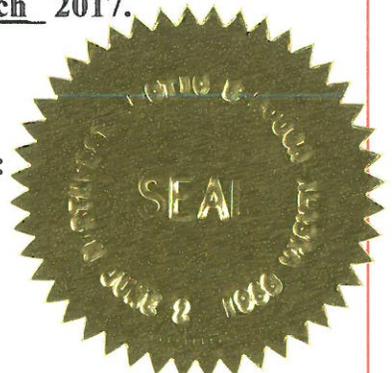
Clement Richards, Sr., Mayor

SIGNED AND ATTESTED TO THIS 28th DAY OF March 2017.



Stella Atoruk, Borough Clerk

ATTEST:



First Reading: February 28, 2017

Second Reading: March 28, 2017