

Town of Riverhead Industrial Development Agency

Credit Card Policy Effective April 1, 2025

Purpose: To establish the Policy and Procedures for the use of RIDA corporate credit cards.

I. Objective:

It is commonplace for organizations to use credit cards for the convenience of making purchases on behalf of the organization. In some instances, purchases can only be made via a credit card as manual checks are not accepted (i.e. hotel reservations, internet purchases, recurring billing). In order to simplify the process for purchasing certain items on behalf of the Riverhead Industrial Development Agency (“RIDA”), the following policy outlines the use of credit cards.

II. Authorization

A resolution will be presented to the board prior to the issuance of the credit card that authorizes

- The approval of the issuance of a credit card and the number and type(s) of credit cards to be used such as general purpose cards or vendor specific cards
- Identify all authorized users
- Set appropriate credit limits
- Establish custody of the cards when not in use
- The uses of the card
- The appropriate internal control structure for monitoring the use of the card
- The approval process for payment of the charges.
- Establish a means to recoup any unauthorized expenditures.

The use of an RIDA credit card(s) shall be in accordance with, and is not intended to circumvent, the RIDA’s Procurement Policy.

The RIDA shall be permitted to obtain and utilize a credit card(s) as so authorized by the resolution and preferably with the RIDA’s primary bank. In addition to the RIDA itself, the individuals authorized to be issued a card are listed on Schedule A, along with the credit limit authorized. Schedule A shall be updated as the individuals authorized and credit limits change. The credit cards will be issued to the specific individuals listed on Schedule A in order to help maintain accountability. Once issued, all cards are to be locked in the CFO’s drawer when not in use. If an individual is no longer designated as a cardholder, and/or leaves RIDA employment, the card issued to this individual will be cancelled. As determined by the resolution of the RIDA, only authorized personnel of the RIDA may be assigned and use the RIDA Credit Card.

III. Use of Cards

All purchases made on the RIDA's credit card must comply with the RIDA's Procurement Policy. The RIDA credit card may be used only for official business of the RIDA to pay for actual and necessary expenses incurred in the performance of work-related duties. The card may be used only for the following purchases:

- Hotel reservations
- Rental car reservations
- Training, conference, luncheons and seminar registrations
- Meals for meetings in which the vendor will not accept a check
- Internet purchases where a vendor will not accept a check
- Recurring service charges
- Supplies

Personal expenses on the RIDA's credit card are strictly prohibited. Cash advances or cash back from purchases is also prohibited, unless authorized by resolution of the board. The card will be issued in the name and liability of the Riverhead Industrial Development Agency with the name of the individual authorized on the card.

The employee issued the credit card is responsible for its protection and custody and shall immediately notify the Treasurer or CFO if the card is lost or stolen.

Employees must immediately surrender the RIDA credit card upon termination of employment. The RIDA reserves the right to withhold the final payroll check and payout of accrued leave until the card is surrendered.

IV. Recordkeeping

The use of the RIDA credit card may be substantiated with a purchase order, receipts and documentation detailing the goods or services purchased, cost, date of the purchase and the official business explanation. Receipts and documentation must be submitted to the Chief Financial Officer (CFO) following the purchase to reconcile against the monthly credit cards statement.

At the end of each month, the CFO is to review the monthly card statement and reconcile it with the receipts and documentation received for that month. The CFO should determine that all purchases are supported by documentation. Any variances are to be investigated. Any purchase/charge without appropriate supporting documentation requires a detailed explanation and description and the written approval of the Chief Executive Officer (or Board Chair in the case of CEO changes). Unauthorized or improper purchases will result in credit card revocation and discipline of the employee. The RIDA shall also take appropriate action to recoup unauthorized or improper expenditures. Once the reconciliation is complete, the CFO will initial the reconciliation to show it has been completed.

Once the credit card has been reconciled, payment via check or auto debit will be made. All purchases made with the endeavor to do so credit cards shall be paid for within the grace period so that no interest charges or penalties will accrue.

Schedule A

Name	Title	Credit Limit Authorized
Denise Cooper	CFO	\$3,000
Tracy James	CEO	\$3,000

Adopted: