

## REPORT TO THE LIBRARY BOARD

MARCH 20, 2025

**SUBJECT:** Policy Review - Credit Card Policy  
**PURPOSE:** For Approval  
**PREPARED BY:** Executive Team  
**PRESENTED BY:** Lakshay Gaur, Director, Financial Services

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### RECOMMENDATION

It is recommended that the Library Board approve the revisions to the Credit Card Policy.

### BACKGROUND

The Credit Card Policy governs acceptable use of credit cards issued to certain designated Library Employees to purchase of goods and services as required by their job. The current policy contains procedural information which has been removed and some sections have been consolidated for clarity.

The current policy, a list of significant revisions, and the revised policy are appended.

### NEXT STEPS

This policy will be reviewed again in three years (March 2028) as part of the Library's policy review process.

## CURRENT POLICY

Title of Policy: Credit Card

Policy Type: Board Operational Linkage

Policy No.: F-AM-03

Effective Date: March 25, 2021

Review: March 2025

### PURPOSE:

London Public Library (“Library”) corporate credit cards are issued to certain designated Library Employees for use in their jobs to enable the purchase of goods and services. The purpose of this policy is to govern acceptable and unacceptable use and to address the methods and procedures by which Library Employees will be governed when making purchases with a Library-issued credit card.

### SCOPE:

This policy applies to all Library Employees who are issued a corporate credit card. All use of a corporate credit card shall be in accordance with the terms and spending authority limits as per the Library's *Procurement of Goods and Services Policy* and all other applicable Library policies, guidelines and procedures.

### DEFINITIONS:

**Authorized** means that prior approval has been received for the activity from the designated approval authority.

**Cardholder** means an Employee who is authorized to hold and use a Library credit card as a purchasing agent of the Library.

**Employee** means a person who is permanently employed by the Library.

**Receipt** means the original document showing the name of the vendor, date, amount and description of the expenditure.

### ACCOUNTABILITY:

The credit card will be issued to Employees designated by management only where their position requires that they need to make purchases that are: online, one time, involve an element of urgency when procurement is necessary; and/or, when an item is not otherwise available.

Allocation of a credit card can only be Authorized by the CEO & Chief Librarian and/or Director, Financial Services or, in the case of the CEO & Chief Librarian; approved by the Library Board Chair and Director, Financial Services.

Issuing a credit card to an Employee is based on the need to purchase goods and services for the Library and the credit card may be revoked based on change of assignment. The provision of a credit card is not an entitlement.

The credit card is user specific and therefore only Employees Authorized with the credit card issuing company at the time of the credit card's issuance shall purchase an item using the credit card. No further delegation of authority is permitted in making transactions.

In certain and Authorized cases, an Employee may use the credit card for Library business activities, or when the Authorized Cardholder is outside of the City of London on business.

Every credit card will have a predetermined spending limit.

The Library credit card will not be used:

- for any purchase of goods and/or services that are prohibited under the Library's *Procurement of Goods and Services Policy*;
- for any personal or private purchase, i.e., any purchases benefitting anyone or anything other than the Library;
- when the total purchase price exceeds the purchase limit on the card;
- when an exclusive contract with another vendor is in effect;
- for alcohol/cannabis; and/or,
- during travel outside of the City of London when a meal per diem has been given to the employee.

#### **SPENDING AUTHORITY:**

The dollar limit for individual purchases and monthly spending limit will be determined by the Director, Financial Services and Administrator, Financial Services based upon the expected monthly level of procurement. Purchases must not be split to circumvent the approval limits.

Any credits/returned merchandise must be credited to the credit card used for the original purchase.

Transactions will be supported by a Receipt. All purchase Receipts over one hundred dollars (\$100.00) must be accompanied by an approved purchase order (PO).

No cash advances and no cash refunds are permitted.

#### **ADMINISTRATION AND APPROVALS:**

Transactions are subject to review by Financial Services to ensure compliance with the Library's *Procurement of Goods and Services Policy*, *Fraud Policy* and *Risk Management Plan*. Non-compliance issues will be reviewed and could lead to revocation of the credit card purchasing privileges.

The credit card Receipt must be submitted to Financial Services immediately to ensure sufficient time to verify all purchases, and to ensure payment is made by the due date for payment.

The credit card statement shall be accompanied by detailed invoices and/or itemized Receipts for each purchase as well as the supporting purchase order (PO) for items over one hundred dollars (\$100.00). All Receipts must have detailed information, including the HST, and must be attached to the statement. The account number for each expense must be detailed on the purchase order, or receipt for items fewer than one hundred dollars (\$100.00).

The supporting documentation must be signed and dated by the Cardholder and submitted to the appropriate Manager/Director/CEO for approval before submission to Financial Services. The CEO's supporting documents must be signed by the Board Chair or Vice Chair.

#### **MISUSE AND/OR FAILURE TO MEET CARDHOLDER'S RESPONSIBILITIES:**

The Cardholder is responsible for immediately reporting loss or theft of the credit card, or any credit card fraud, to the issuing company and to Financial Services.

Misuse, or failure to comply with the Library's *Procurement of Goods and Services Policy*, will result in cancellation of the Employee's authority to use the credit card and/or further disciplinary action up to and including termination of employment.

If an Employee improperly uses a Library credit card for any unauthorized transaction, such as for personal use, the costs(s) of such transactions will be the financial responsibility of the Employee and that Employee will be required to reimburse the Library.

#### **INQUIRIES:**

Administrator, Financial Services  
Director, Financial Services  
CEO & Chief Librarian

## **SUMMARY OF SIGNIFICANT CHANGES**

### **Purpose**

Rewritten and consolidated

### **Accountability**

Rewritten and consolidated

### **Administration and Approval**

Most of the section was removed as it was highly operational and procedural. Policy-related information was moved to the SPENDING AUTHORITY section.

## REVISED POLICY

### PURPOSE

To govern acceptable use and address methods and procedures by which London Public Library (Library) Employees will be governed when making purchases with a Library-issued credit card.

### SCOPE

This policy applies to all Library Employees who are issued a corporate credit card. All use of a corporate credit card shall be in accordance with the terms and spending authority limits as per the Library's *Procurement of Goods and Services Policy* and all other applicable Library policies, guidelines and procedures.

### DEFINITIONS

**Authorized** means that prior approval has been received for the activity from the designated approval authority.

**Cardholder** means an Employee who is authorized to hold and use a Library credit card as a purchasing agent of the Library.

**Employee** means a person who is permanently employed by the Library.

**Receipt** means the original document showing the name of the vendor, date, amount and description of the expenditure.

### ACCOUNTABILITY

Corporate credit cards are issued to certain Library Employees, designated by Management, to enable the purchase of goods and services when feasible. Examples include online or one-time purchases or authorized travel expenses.

Allocation of a credit card can only be Authorized by the CEO & Chief Librarian and/or Director, Financial and Facility Services or, in the case of the CEO & Chief Librarian; approved by the Library Board Chair and Director, Financial Services.

The need for a credit card is position-specific and may be revoked based on change of assignment. A credit card with a predetermined spending limit is issued to a specific Employee who has authorization to purchase items using the credit card. No further delegation of authority is permitted.

The Library credit card will not be used:

- For any purchase of goods and/or services that are prohibited under the Library's *Procurement of Goods and Services Policy*;

- For any personal or private purchase, i.e., any purchases benefitting anyone or anything other than the Library;
- When the total purchase price exceeds the purchase limit on the card;
- When an exclusive contract with another vendor is in effect;
- For alcohol/cannabis, and/or
- During travel outside of the City of London when a meal per diem has been approved for the employee.

## **SPENDING AUTHORITY**

- Transactions are subject to review by Financial Services staff to ensure compliance with the Library's *Procurement of Goods and Services Policy*, and the *Fraud Policy and Risk Management Plan*. Non-compliance issues will be reviewed and could lead to revocation of credit card purchasing privileges.
- Spending limits will be determined by the Director, Finance and Facility Services based upon the expected level of procurement. Purchases must not be split to circumvent approval limits.
- Any credits/returned merchandise must be credited to the credit card used for the original purchase.
- Transactions will be supported by a Receipt.
- No cash advances and no cash refunds are permitted.

## **MISUSE AND/OR FAILURE TO MEET CARDHOLDER'S RESPONSIBILITIES**

The Cardholder is responsible for immediately reporting loss or theft of the credit card, or any credit card fraud, to the issuing company and to Financial Services staff.

Misuse, or failure to comply with the Library's *Procurement of Goods and Services Policy*, will result in cancellation of the Employee's authority to use the credit card and/or further disciplinary action up to and including termination of employment.

If an Employee improperly uses a Library credit card for any unauthorized transaction, such as for personal use, the costs(s) of such transactions will be the financial responsibility of the Employee and that Employee will be required to reimburse the Library.

## **INQUIRIES**

Director, Finance and Facility Services

CEO & Chief Librarian