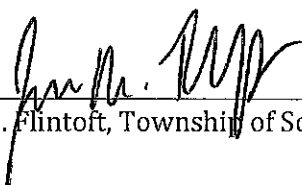


TOWNSHIP OF SCIO

Credit Usage Policy

I hereby certify that the Policy on Credit Usage
was adopted by the Board of Scio Township at its Regular
Meeting held on July 22, 2025, at the Township Hall,
827 North Zeeb Road, Ann Arbor, Michigan.



Jessica M. Flintoft, Township of Scio Clerk

SCIO TOWNSHIP CREDIT USAGE POLICY

LAST REVISED 07/15/2025

GENERAL

The purpose of this policy is to establish a standard set of guidelines pursuant to those established under the Credit Card Transactions Act (1995 PA 266, being MCL 129.241 – MCL 129.247), which regulates credit card transactions of local units of government. In order to maintain appropriate internal control over the utilization of credit cards all credit card arrangements shall be approved in writing by the Township Treasurer.

DEFINITIONS

Cardholder means a Township employee or official whose name appears on the credit account and is responsible for all charges made against that account. All cardholders must be approved by the Township Treasurer.

Credit Card means a card or device issued under a credit arrangement for the purpose of making authorized purchases on behalf of the Township.

A Credit Card Arrangement means an unsecured extension of credit for the purchasing of goods or services from the credit issuer or any other person, who is made to the holder of a credit account. All credit card arrangements must be approved in writing by the Township Treasurer.

POLICY/PROCEDURES

Use of the credit accounts shall be in compliance with the following. Violations of these policies and procedures may result in disciplinary action and/or revocation of credit card privileges.

- Township credit card accounts are only to be utilized by Township employee or official to pay for travel expenses (lodging, meals, transportation, etc), internet purchases, immediate needs purchases, and any other purchases that are in the best economic and functional interest of the Township to utilize a credit card as long as they are in conjunction with official Township business and travel.
- Personal use of a credit card is strictly prohibited.
- Prior to, or as soon as is possible after the credit card purchase (but no later than 3 business days) an authorized employee using a credit card issued by the Township

shall submit a Purchase Order (PO) detailing the goods or services purchased, the cost of the goods or services, the date of the purchase and the official business for which purchased. The submission of the PO shall be in accordance with the Township Procurement and other related Township policies.

- The Township Procurement Policy requires that all credit card transactions require a purchase order.
- The Township's total credit limit shall not exceed \$50,000.
- It is the cardholder's responsibility to notify the merchant that the Township is a tax-exempt entity (MI Sales and Use Tax).
- Upon termination of employment with the Township, the authorized employee issued a credit card shall return the credit card to the Treasurer or Deputy Treasurer immediately.
- Purchases made using the credit card must comply with the township's purchasing and expenditure policies. The card in no way changes such policies. Prohibited items include liquor, tobacco, gambling and cash advances.
- Township credit cards may never be used for cash advances or purchases of gift cards or prepaid cards.

Promotional items and/or rebates obtained through the use of the Township credit cards are the property of the Township and must not be used for personal gain. Credit card rewards points, if earned, will be used to pay down the balance of the card once the points total reaches 50,000 points by a percentage allocation by department. Redemption is initiated by the Treasurer or Deputy Treasurer. The following additional procedures and requirements apply to credit card use.

- Individuals entrusted with Township credit cards are responsible for protection and custody of the card and will immediately notify the Treasurer or Deputy Treasurer if the card is lost or stolen.
- All individuals entrusted with Township credit cards must sign and return the Request for a Township Credit Card form before obtaining a credit card for their department
- Upon receipt of a credit card statement, the Treasurer or Deputy Treasurer shall:
 - Authenticate each expense listed on the statement and ensure that the expense has a valid PO, including detailed receipt, and approved by the Department Head.
 - Once all charges are substantiated, the Treasurer or Deputy Treasurer will place final approval on all credit card POs so that the Finance Director or designee may process an Accounts Payable check.

OVERSIGHT AUTHORITY

Oversight authority for credit card account management is the responsibility of the Township Treasurer.

DISCIPLINARY MEASURES

Disciplinary measures consistent with existing law, Township policy, and collective bargaining agreements, etc when applicable may be taken if there is a violation of this policy. Refer to the personnel handbook and policies for specific measures to be taken.