



**CREDIT CARD POLICY  
POLICY 2026-02  
SUNBURY-YORK SOUTH RURAL COMMUNITY**

This policy comes into effect on the date of its adoption and may be amended at any time by resolution of the municipal council.

**1. Purpose and Scope**

- 1.1. This Policy establishes the principles, roles, and controls governing the issuance and use of municipal credit cards to facilitate low-value purchases required in the operations of the Rural Community of Sunbury-York South (SYSRC). It complements the community's financial management and procurement policies and must be read in accordance with the **New Brunswick Procurement Act** and applicable municipal guidelines.

**2. Application**

- 2.1. This Policy applies to all municipal employees who are issued a municipal card, as well as persons responsible for approving, reconciling, or auditing transactions. It covers all authorized purchases of goods, services, and travel expenses carried out as part of municipal duties.

### 3. Guiding Principles

- 3.1. The Rural Community ensures that card usage is:
- 3.2. **Legal and compliant** with the **Procurement Act (SNB 2012, c.20)**, its regulations, trade agreements, and applicable municipal policies.
- 3.3. **Fair, open, and transparent**, consistent with provincial procurement guidelines.
- 3.4. **Efficient and proportionate**, recognizing that purchasing cards are intended for **low v-value acquisitions** that streamline processes without bypassing tendering requirements.
- 3.5. **Controlled and verifiable**, with regular internal audits to protect public funds and reduce financial risks.

### 4. Roles and Responsibilities

- 4.1. **Municipal Council**: Approves the Policy and ensures proper financial governance.
- 4.2. **Senior Administrator** or delegate: Program owner, authorizes card issuance, sets limits and restrictions, ensures training and compliance.
- 4.3. **Finance Department / Treasurer**: Administers the program, processes requests, handles monthly reconciliation, accounting, disputes, and reporting.
- 4.4. **Cardholder**: Uses the card exclusively for municipal purposes, protects card data, retains detailed receipts, provides receipts to finance on request, and reports loss or fraud immediately.
- 4.5. **Internal/External Audit**: May audit the program at any time.

### 5. Permitted Use of Credit Cards

- 5.1. Cards may be used for **low-value, low-risk purchases** and **without circumventing tendering or competition requirements**.
- 5.2. Examples: minor office supplies, small parts, subscriptions, approved training registrations, authorized travel expenses.

- 5.3. **Important:** Cards **do not exempt** the community from respecting thresholds or competitive requirements established by legislation or municipal policy.

## **6. Prohibited or Restricted Uses**

- 6.1. Unless written authorization from the Senior Administrator is provided and subject to applicable law, it is prohibited to:
- 6.2. Make personal purchases, cash advances, cash-equivalent transactions, or split purchases to avoid limits;
- 6.3. Exceed **per-transaction** or **monthly** limits;
- 6.4. Purchase goods/services covered by an existing standing offer or requiring formal competition;
- 6.5. Purchase alcohol unless permitted under a hospitality policy;
- 6.6. Make any expenditure conflicting with legal, commercial, or trade obligations.

## **7. Card Issuance, Limits, and Controls**

- 7.1. **Eligibility:** Cards are issued to employees whose duties require regular low-value purchases. Cards are attributed **to one person only** and may not be shared.
- 7.2. **Limits:** The Senior Administrator sets transaction limits, monthly limits, and merchant category restrictions (MCC).
- 7.3. **Temporary limits:** May be authorized in writing for a project or event.
- 7.4. **Security:** Cardholders must protect their card and immediately report loss or theft to the issuer, Finance, and the Senior Administrator.

## 8. Documentation and Transaction Reconciliation

- 8.1. **Receipts:** Cardholders must provide a **detailed receipt** showing vendor, date, description, quantities, and taxes. Receipts must be attached in the accounting system with the correct coding and justification.
- 8.2. **Monthly cycle:** The cardholder enters expenses; the administrator validates; Finance performs final verification.
- 8.3. The community is responsible for the credit card payment (in full each month)
- 8.4. **Disputes/returns:** The cardholder must first contact the merchant, then follow the card provider's dispute process, notifying Finance; credits must match the original transaction.
- 8.5. **Archiving:** Documents must be retained per municipal rules.

## 9. Compliance With Procurement Thresholds and Law

- 9.1. All transactions must comply with the **New Brunswick Procurement Act** and tendering thresholds and obligations. Credit card use **does not exempt** the community from competition or transparency requirements.

## 10. Travel and Hospitality

- 10.1. When permitted under the Travel Policy, cards may be used for authorized business travel expenses; detailed receipts and justifications are mandatory.

**11. Fraud, Abuse, and Consequences**

- 11.1. **Immediate Notification:** Any suspected fraud or abuse must be reported immediately to the Senior Administrator, Finance, and if needed, authorities.
- 11.2. **Sanctions:** Abuse may result in card cancellation, mandatory reimbursement, disciplinary measures, or police reporting.

**12. Program Monitoring and Audit**

- 12.1. Finance conducts continuous monitoring, exception reporting, and periodic reviews. Internal or external audits enhance transparency.

**13. Card Cancellation and Withdrawal**

- 13.1. Cards must be cancelled immediately upon termination of employment, change of role, or repeated non-compliance. Reconciliation must be completed before departure.

Effective Date: April 15<sup>th</sup> 2026

Approved By:   
Don Ferguson, Supervisor



## **APPENDIX A**

### **Municipal Credit Card Holder Agreement**

#### **1. Purpose of the Agreement**

- 1.1. This agreement confirms that the cardholder understands and accepts the responsibilities associated with using a credit card issued by the Rural Community of Sunbury-York South. The card must be used exclusively for authorized municipal purchases.

#### **2. Cardholder Responsibilities**

- 2.1. By signing this agreement, I acknowledge and commit to:
- 2.2. **Use the card only for authorized municipal expenses**, never for personal purchases, cash advances, or prohibited transactions;
- 2.3. **Respect all financial limits** (transaction, monthly, or temporary) set by administration;
- 2.4. **Safeguard the card**, never lend it or share its information (number, CVV, etc.);
- 2.5. **Obtain and provide a detailed receipt** with justification for each transaction;
- 2.6. **Complete monthly reconciliation** within required deadlines and submit all required documents to my supervisor and Finance;
- 2.7. **Never split purchases** to bypass limits or tendering requirements;

- 2.8. **Report immediately** any loss, theft, fraud, or suspicious activity to the issuer, supervisor, and Finance;
- 2.9. **Cooperate with internal or external audits** as required;
- 2.10. **Return the card** upon termination of employment, change of position, or at the request of the CAO or Finance.

**3. I understand that any misuse may result in:**

- 3.1. Suspension or cancellation of the card;
- 3.2. Required reimbursement of unauthorized expenses;
- 3.3.** Disciplinary action up to and including dismissal.

**4. Cardholder Commitment**

- 4.1. I acknowledge having read, understood, and accepted the **Municipal Credit Card Policy** of the Rural Community of Sunbury-York South. I commit to respecting all associated rules and responsibilities.

## 5. Signatures

- **Cardholder**

- Name: \_\_\_\_\_
- Title: \_\_\_\_\_
- Signature: \_\_\_\_\_
- Date: \_\_\_\_\_

- **Senior Administrator or Delegate**

- Name: \_\_\_\_\_
- Signature: \_\_\_\_\_
- Date: \_\_\_\_\_