

DEBIT CARD GUIDELINES PROPOSAL

This proposal is submitted to the City Council of Robert Lee by Mayor Pro Tem Roger Alexander for the January 14, 2019 meeting of the City Council

Proposed guidelines for DEBIT CARD charges to City of Robert Lee Checking Accounts January 14, 2019

REASON FOR NEW GUIDELINES:

The Auditors for the City of Robert Lee have discovered over use and possible fraudulent use of City Debit Cards.

As of January 7, 2019 the City Secretary has not received invoices for over \$10,000 worth of purchases made on an individual's Amazon Personal Account. These purchases are from May 2018 through November 2018. The City has not been reimbursed for purchases this individual charged to the City of Robert Lee Debit Card. This individual has admitted, prior to Christmas, that several charges to the City Bank Account were that individual's personal charges.

As of January 7, 2019 there has not been an accounting for potentially fraudulently purchases.

The City Council has become aware that having a debit card for a Checking Account opens up that ENTIRE account to be used for non-approved purchases and potentially draining that account of all funds. Therefore I, Roger Alexander, propose the following:

1. NO DEBIT CARDS SHALL BE ISSUED OR USED FOR City Checking Accounts
2. All current Debit Cards shall be CANCELLED
3. A new Checking Account shall be created that will be a debit card account
4. This new account will have a designated amount of money (\$5,000 or \$7,500)
5. This new account will be reconciled weekly by the City Secretary
6. The City Secretary shall control the Debit Card and after each use shall require a receipt with explanation for purchase
7. This New Account shall be reimbursed at least monthly by the General, Water, Sewer and Sanitation Funds.
8. While this procedure will create additional reconciliation of a bank account and transfer of funds, it will better protect City of Robert Lee Funds.