

CALHOUN COUNTY CREDIT CARD POLICY AND PROCEDURE

Approved by Commissioners Court February 14, 2013

The Calhoun County Credit Card Policy and Procedure is a mutual effort intended to delegate both authority and responsibility for small dollar purchases to front line people who are in the best position to know what they need. However, as a public entity Calhoun County is expected to be able to demonstrate to the public that we are spending our money wisely. All participants are responsible to ensure that the Calhoun County Credit Card Policy and Procedure can withstand the scrutiny of the press, the public and auditing.

Your participation in the Calhoun County Credit Card Policy and Procedure is a convenience that carries responsibilities along with it. Although the card is issued in your name, it shall be considered Calhoun County property and shall be used with good judgment. Your signature below verifies that you understand the Calhoun County Credit Card Policy and Procedure agreement outlined below and agree to comply with it.

To request a Credit Card, the following agreement should be filled out and properly executed. It should then be submitted to the County Judge's Office to request an agenda item for Commissioners Court to consider authorizing the issuance of the Credit Card. After Commissioners Court authorizes issuance of the Credit Card, the requestor should submit an executed copy of this agreement to the County Treasurer who will arrange for the County's Depository to issue the Credit Card.

AGREEMENT

- The Credit Card is provided to the Cardholder based on their need to purchase business related goods and services. The card may be revoked at any time based on change of assignment or at Commissioners Court's sole discretion.
- The card is for business-related purchases only; personal charges shall not be made to the card.
- The Cardholder is the only person entitled to use the card and is responsible for all charges made with the card.
- The credit card billing will be sent directly to the County Treasurer and will be electronically distributed to the Cardholder promptly by the County Treasurer.
- Upon receipt of the billing, the Cardholder shall promptly (within 5 business days) submit Cardholder's reconciliation to the County Auditor, accompanied by a properly executed request for payment (PO/Check Request).
- Cardholder reconciliations approved by the County Auditor will be promptly paid by the County Treasurer.

- Improper use of the card can be considered misappropriation of Calhoun County funds, which may result in disciplinary action, up to, and including termination. The following is a nonexclusive list of Credit Card purchases that are prohibited:
 - Personal Expenditures.
 - Cash advances or refunds.
 - Sales tax except in cases where State law does not exempt local governments.
 - Entertainment of any kind, including the purchase of alcohol or patronage of drinking establishments.
 - Purchases under contracts, unless an emergency exception is granted.
 - Separate, sequential, and component purchases or transactions made with the intent to circumvent State law or County policy.
 - Purchases that are split to stay within card transaction limits.
 - Transaction amounts greater than cardholder's transaction limit.

- The cardholder is expected to comply with internal control procedures in order to protect Calhoun County assets. This includes the Cardholder keeping vendor receipts/invoices, reconciling Credit Card monthly transaction statements, sending the credit card monthly reconciliation (with receipts/invoices attached) to the County Auditor's Office, and following proper card security measures.

- The Cardholder is responsible for reconciling their Credit Card monthly transaction statement and resolving any discrepancies by contacting the supplier or the Calhoun County Treasurer.

- The Cardholder shall immediately report a lost or stolen card by telephone to the County's Depository and to the Calhoun County Treasurer.

- The Cardholder must surrender their card to the Calhoun County Treasurer upon termination of employment (i.e. retirement or voluntary/involuntary termination). At this point no further use of the Credit Card is authorized.

In return for the purchasing authority delegated to the cardholder and in consideration of the cardholder's responsibility to properly steward public resources the Cardholder agrees to undertake the following responsibilities:

- To purchase ethically, fairly, and without conflict of interest and to seek the best value.

- To promptly reconcile statements and make any needed accounting adjustments.

- To promptly report to the Calhoun County Auditor any suspected misuse of the Credit Card.

- To avoid payment of sales taxes.

- To ensure that transaction documents are obtained and attached to the Cardholder Statement of Account, and to retain these records and attach them to the request for payment.

- To comply with the terms and conditions of this Calhoun County Credit Card Policy and Procedure Agreement and any Purchasing Procedure, Policy or Guide that may be subsequently issued. The use of a County Credit Card for travel expenses does not relieve the cardholder from turning in proper travel expense reports.

- Inform merchant of sales tax exempt status; Cardholder will be responsible for reimbursing any sales tax amount to Calhoun County except in cases where State law does not exempt local governments.
- To avoid payment of late fees and interest; Cardholder will be responsible for reimbursing to Calhoun County any late fee or interest amount charged as a result of Cardholder's failure to timely submit monthly reconciliation including all transaction documents to the Calhoun County Auditor.
- To protect and safeguard the Credit Card.

The undersigned parties agree that should they willfully violate the terms of the agreement or be negligent in use of the card the Cardholder will reimburse Calhoun County for all incurred charges and any fees related to the collection of those charges.

The undersigned parties further understand that this card is to be used for Calhoun County business purposes only and is not to be used to circumvent the competitive bid process. It is a violation of State law and Calhoun County policy to make purchases separately, or over a period of time, that in normal purchasing practices would be purchased in one purchase.

The Cardholder is the only person authorized to use this card. Improper or personal use of this card may result in disciplinary action against the undersigned parties, including termination or criminal prosecution. Credit Cards are issued to an individual only at the direction of the Commissioners Court. It is understood that the Commissioners Court may cancel the Cardholder's privilege to use the Credit Card at any time for any reason. The Cardholder will return the Credit Card at any time for any reason.

This policy and procedure concerning the use of Credit Cards by Calhoun County officials and employees was adopted by the Calhoun County Commissioners Court on the 14th day of February, 2013.

Agreement for Wage Deductions Associated with Improper Use of County-Issued Credit Cards

By my signature below, I hereby certify that I understand and agree to abide by the Calhoun County Credit Card Policy and Procedure regarding use of County-issued credit cards. I agree that if I make any personal purchases (i.e., transactions for the benefit of anyone or anything other than the County) in violation of that policy, the amount of such purchases is an advance of future wages payable to me, that the County may deduct that amount from my next paycheck, and that if there is a balance remaining after such deduction, the County may deduct the balance of the wage advance from my future paychecks until the amount is repaid in full. I further agree that if I make any non-personal transactions in violation of the policy in question, i.e., incur financial liability on the County's part that is not in compliance with the terms and conditions of that policy, I am financially responsible for any such expenses and agree to reimburse the County via wage deductions for such amounts until the unauthorized amounts are fully repaid. Such deductions will be in the amount of the unauthorized purchase(s), but if such amount would take my pay below minimum wage for the workweek in question, the deductions will be in two or more equal increments that will not take my pay below minimum wage for any workweek involved.

Person requesting Credit Card:

Department Name

Name (Printed)

Signature

Department Mailing Address

Date

City, State, Zip Code

Approved by Elected Official/Department Head:

Name (printed)

\$ _____
Credit Card Limit Requested

Signature

Date

COMMISSIONERS COURT AUTHORIZATION TO ISSUE CREDIT CARD

Date Approved

\$ _____
Credit Card Limit Approved

Agenda Item Number