

2.10.180 Credit card policy.

A. Authority. The San Juan County auditor is hereby authorized to sign bank credit card authorization documents and to issue credit cards to the County administrator and requesting departments in accordance with the San Juan County policy for issuance and use of business credit cards by employees of San Juan County, as set forth in subsection (B) of this section, and this section is hereby adopted as the official San Juan County credit card policy.

B. Policy for Issuance and Use of Business Credit Cards by Employees of San Juan County.

1. Policy Statement. The use of credit cards by County departments will increase efficiency and productivity and fiscal management by providing the opportunity to make official County purchases at reduced cost and in a more efficient manner. The use of credit cards is not to supersede the County's advance travel account or the County voucher payment system. The use of credit cards is expected to be utilized in limited circumstances as delineated in this policy.

2. Request and Authorization for Departmental Credit Card(s). County elected officials, department heads and County administrator who feel the operation of their department would benefit by having a business credit card shall make a request to the County auditor. The County auditor's review is to provide for control of the number of cards issued to the County and to ensure that the bills are paid in accordance with the RCW and County policy. All requests will include the following documents:

- a. A list of the specific types of uses the department anticipates for the card.
- b. A list of authorized users of the card. The elected official, department head or administrator will determine who is authorized to use the credit card within their department.

- c. A signed statement by all users that the card will be used in accordance with this policy.

- d. The requested credit limit for each card.

Upon receipt of the above, the County auditor will arrange for a card(s) to be issued by the bank and delivered to the department. The auditor shall maintain a listing of credit card users, cards issued, and credit limits.

3. Distribution of Cards. San Juan County elected officials and department heads are responsible for all purchases made on the credit cards issued to their departments.

Normally, cards will be issued to departments and not to individual employees for the credit limit noted below. The auditor is authorized to issue cards in individual names in appropriate circumstances.

4. Credit Card Limits. The limit on each credit card shall be set at \$5,000. An elected official or department head may request a higher limit if facts and circumstances indicate the need. The auditor may approve a higher limit based upon data submitted by the department. Annually the auditor shall submit to the County council a list of cards issued and the credit limits of each card, and justification for all cards over the standard credit limit. The County council shall ratify this list or make adjustments as they see fit.

5. Authorized Uses. The auditor's office is charged with the education of all authorized users of the card regarding regulations and County policy for their use of the card(s).

- a. Cash advances on credit cards are prohibited.

- b. Only purchases of properly authorized items for which funds have been approved in the department's budget are allowed.

- c. No single item over \$500.00 may be purchased on the credit card without prior department head approval.

d. Fuel for personal automobiles may not be charged on the card. Fuel for County-owned vehicles should be charged to the credit card located in the vehicle and issued by the ER&R manager at public works.

e. Travel, Food, Drink, and Entertainment. San Juan County follows the current guidelines of the State of Washington Attorney General regarding eating and drinking at public expense. The County auditor shall evaluate all travel, food, drink and entertainment charges against this policy and against current San Juan County policies on food and travel. Charges found not to be in accordance with this policy are prohibited.

f. Under no circumstances may any personal expenses, including meals at conferences, etc., be charged on County credit cards.

6. Payment of Bills.

a. Departments will pay the credit card bill in full each month. Receipts are required and must be attached to the credit card statement upon submission to the County's voucher payment system. An expense voucher and receipts must be attached if travel expenses are charged.

b. The credit card balances will be cleared each month. Monthly payments on accumulated credit card balances are not allowed.

c. The County processes vouchers each week, therefore finance and late charges are to be avoided. If finance or late charges are assessed, they will be charged to the department and reported on a separate budget line item.

d. All charges should be paid in the budget year they are incurred. Therefore, charges made close to year end should be avoided and/or expedited for payment. Charges can be paid prior to receiving the credit card statement.

e. If, for any reason, disallowed charges are not repaid before the charge card billing is due and payable, the County shall have prior lien against and a right to withhold any and all funds payable or to become payable to the official or employee up to an amount of the disallowed charges and

interest at the same rate as charged by the company which issued the charge card.

7. Recall of Credit Cards and Disallowed Charges.

- a. The auditor shall have the responsibility to recall from departments any credit cards that are not handled in accordance with this policy.
- b. The auditor shall disallow any credit card charges not made in accordance with this policy.
- c. The auditor shall at his or her discretion cancel any credit card which has incurred late fees more than two times in any consecutive 12-month period.
- d. Any department or employee shall have the right to appeal the auditor's decision made under this section to the County council.

C. Use of Personal Credit Cards for County Business. Because of the need to track certain information by vendor, and because of the need to ensure accountability for all County expenditures, the use of employees' personal credit cards for business is discouraged. Specifically, other than for travel and in emergency cases, employees, including elected officials and department heads, should not use their personal credit cards to make purchases for official County business. (Ord. 5-2008 § 12; Res. 15-2004)