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Andy Goleman
SANGAMON COUNTY AUDITOR

Finance Committee Resolution

Policy -- Application and Use of Credit Cards and Credit Accounts with Vendors

Purpose – The purpose of this policy is to establish guidelines to clarify and revise existing County-wide requirements governing the application and use of credit cards and credit accounts established with specific vendors. The requirements of this policy shall apply to the application and use of credit cards established with financial institutions (examples, VISA, Master Card, Discover) as well as credit card accounts established with specific vendors (examples, Wright Express, Lowes, Best Buy) and credit accounts with local vendors. All elected offices, departments and component units for which the County is financially accountable shall comply with the requirements of this policy. All offices and departments with credit cards and/or credit accounts with vendors are responsible for establishing an adequate system of internal control to ensure the proper use and oversight of such accounts.

This policy becomes effective upon approval of the Finance Committee and replaces the "Credit Card Guidelines" approved by the Sangamon County Finance Committee on March 14, 2006.

Guidelines

1. All applications for new credit cards or credit accounts with vendors must be submitted to the Auditor's Office for its review and approval. Existing accounts that have been authorized under the County's prior credit card policy do not need to be submitted to the Auditor's Office for re-approval.
2. After review by the Auditor's Office, applications for new credit cards and credit accounts will be forwarded to the department's assigned oversight committee for approval/disapproval.
3. A standard committee resolution form has been developed by the Auditor's Office for requests for new credit card accounts with financial institutions. The standard resolution form was requested by the financial institutions that issue credit cards and must be used when requesting committee approval of a new credit card account with a financial institution.
4. Credit limits must be approved by the oversight committee and may not be more than $10,000 in aggregate for a department's account with any credit provider.
5. After committee approval, the department is responsible for working with the appropriate financial institution or vendor to establish the approved account. The account numbers for all credit card and credit accounts and the names of all employees assigned a credit card must be provided to the Auditor's Office. Departments must also inform the Auditor's Office of all changes in their account numbers and staff assigned to manage the accounts.
6. All credit cards shall be issued in the name of the department, not the County. In addition, monthly statements for all credit card and credit accounts should be mailed directly to the department to help ensure time payment.
7. County credit cards and credit accounts may only be used for official County business. Such cards should not be used to purchase meals for employees on travel status, as meal expenses are included in an employee's per diem reimbursement.

8. Employees are personally responsible for the payment of any credit card charges that they make that are not for legitimate County business, are not adequately documented, or do not comply with other requirements of this policy or other County requirements.
9. Under no circumstances may County credit cards be used for cash advances and no debit cards are allowed.
10. Departments are responsible for processing pay requests so as to prevent charges for late fees and interest. The County may require departments with frequent late fees and interest charges to terminate their credit cards and credit accounts.
11. Payments to credit card providers and vendors will not be processed without proper purchase documentation. Copies of monthly billing statements and the support invoices for each payment transaction identified on the statement must be submitted to the Auditor's Office with all payment requests.
12. Departments with credit cards and credit accounts must adhere to the travel and purchasing requirements established by County Code and the purchasing policies and procedures approved by the Financial Committee. Department's may not use credit cards and credit accounts to make non-travel related purchases of $3,500 or more without informal quotes and the advance approval of the department's oversight committee. Payment requests submitted to the Auditor's Office for all individual purchases greater than $3,500 must include documentation of such committee approval. Such approval should be documented electronically in the Purchase Order module of the County's accounting system.
13. County credit cards should not be used to make travel related purchases, such as the purchase of airline tickets, registration fees and hotel reservations, until the appropriate oversight committee or the County Board Administrator has approved the traveler's "Approval to Travel" form. All payment requests for credit card expenses involving overnight travel or airfare related purchases must include copies of the approved "Approval to Travel" forms.
14. All offices and departments with credit cards or credit accounts are responsible for ensuring that such cards and accounts are only used for official County business, and they must have written policies defining their procedures for managing such accounts. These policies must be filed with and approved by the Auditor's Office. Each department's written policy must include the following statements:
    a. Credit card purchases may be made only for legitimate County business;
    b. Credit cards may not be used for cash advances; and
    c. Employees are personally responsible for the payment of any credit card charges that they make that are not for legitimate County business, are not adequately documented, or do not comply with other requirements of this policy or other County requirements.

    Prior to being authorized to use a department's credit card, employees must sign off on a copy of the County's credit card policy and the credit card policy of their department to acknowledge their understanding and acceptance of terms and conditions of these documents.

15. Departments must ensure that credit cards are returned by terminating employees.

Approved by Finance Committee

September 11, 2018

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