

Proposed Draft

Credit Card Policy

Authority:

Local Government Code, Sec. 262.015 (o) allows the Purchasing Agent to establish the credit card rules (subject to Commissioners Court approval) as follows:

(o) The county purchasing agent shall adopt the rules and procedures necessary to implement the agent's duties under this section subject to approval by the commissioner's court. Notwithstanding Subsection (f) or other law, rules and procedures adopted under this subsection may include rules and procedures for persons to use county purchasing cards to pay for county purchases under the direction and supervision of the county purchasing agent.

(f) A purchase made by the county purchasing agent shall be paid for by a warrant drawn by the county auditor on funds in the county treasury in the manner provided by law. The county auditor may not draw and the county treasurer may not honor a warrant for a purchase unless the purchase is made by the county purchasing agent or on competitive bid as provided by law.

Purpose:

The purpose of this policy is to establish procedures for the use of County Credit Cards. This policy is being established in order to provide immediate access to goods and/or services and basic travel registration. All Credit Card purchases shall adhere to all purchasing statutes, rules, policies and procedures when using the card. The use of a credit card does not automatically exempt a governmental agency or its officers or its employees from any purchasing requirements of state law.

- The Credit Card is provided and utilized to make basic travel registration, and small or spot purchases of business related goods and services.
- All Credit Card purchases must follow Johnson County's Procurement Policies and appropriate encumbrances must be made prior to the utilization of any credit card purchases to ensure adequate funds are available.
- All Johnson County Credit Cards shall remain in the Purchasing Office and be checked out to the user as needed by the Johnson County Purchasing Director or its designee and returned to the Purchasing Office in a timely manner which shall be no more than ____ business days after checking out the card.
- County Credit purchases should be made only when there are specific situations of need and/or the vendor does not or will not invoice Johnson County.

Unauthorized Credit Card Use:

Johnson County may not use a credit card and may not reimburse and officer or employee for use of said credit card for the following:

- A purchase of a personal nature or any other purchase not connected with county business.

- A cash advance.
- Charges for entertainment or alcohol.
- Purchases made in attempt to bypass the normal purchasing policy.
- A purchase that violates any provision of state law or Johnson County's Procurement Policies and Procedures.
- Under "NO" circumstances should an authorized credit card user allow another person to use the county credit cards either by physically having the card in their possession or by giving a card number to another individual or vendor so as to allow someone other than the designated cardholder to use the card.

Any person(s) who makes unauthorized purchases, carelessly uses the card, or fails to turn in the appropriate documentation in a timely manner (which shall be no more than ___ business days after the purchase), will be liable for the total dollar amount of such unauthorized purchases, plus any administrative fee charged by the bank in connection with misuse.

Responsibilities of Credit Card User

- Ensure sales tax is not charged at time of purchase.
- Ensure appropriate encumbrances are made with the issuance of a purchase order prior to the utilization of any credit card purchases.
- When a charge is made, documentation shall be retained by the user as proof of purchase.
- Hotel rooms will NOT be charged on the Credit Card (*unless hotel will take no other form of payment*); they will only be reserved. It is the responsibility of the department to request a check from the County Auditor for the amount of the hotel room; prior to the conference.
- If a county employee requests Purchasing Personnel to reserve a hotel room, airline ticket, or rental car; **it is the responsibility of said employee to cancel reservations in the event the trip is cancelled or they are unable to attend.**
- Personal charges on hotel bills should be paid for at checkout time by the employee and not charged to the county credit card.

Payment

At the end of each billing cycle, all statements with accompanying purchase orders shall be sent to the Auditor's Office for processing.