

# Warren County Board of Supervisors

## RESOLUTION NO. 222 OF 2015

**Resolution introduced by Supervisors Conover, Taylor, Sokol, Monroe, Wood, Kenny, Merlino, Frasier and Dickinson**

### **ADOPTING THE CREDIT CARD POLICY FOR WARREN COUNTY**

WHEREAS, the County Administrator has presented a Credit Card Policy for Warren County which is annexed hereto as Schedule "A", and the Finance Committee has recommended that the same be advanced to the full Board of Supervisors for consideration, now, therefore, be it

RESOLVED, that the Credit Card Policy for Warren County annexed hereto as Schedule "A", be and the same is hereby adopted as the official credit card policy for Warren County, and be it further

RESOLVED, that any and all prior Credit Card Policies, Resolutions or parts thereof inconsistent with the annexed Credit Card Policy for Warren County are hereby repealed effective April 17, 2015.

SCHEDULE "A"

**COUNTY OF WARREN  
CREDIT CARD POLICY**

**OVERVIEW AND PURPOSE**

**A. Overview.**

The use of conventional credit cards (hereinafter "credit cards") and/or ghost credit cards (credit accounts without the issuance of a physical plastic card for volume purchases where physical cards are not needed or desired and hereinafter "ghost cards") can be a cost effective method of obtaining products and services for the County. Credit and/or ghost cards can also save personnel time. Travel, training and other similar expenses are more practically and easily handled through the credit card process. In certain cases and depending on the source of the credit or ghost card and terms thereof, the County may even be able to gain additional savings when using a credit and/or ghost card to make purchases of equipment, fuel, materials and/or supplies.

**B. Purpose.**

To establish the Policy and Procedures for the use of County credit and/or ghost cards by Department Heads or their designee(s). These procedures are intended to accomplish the following:

1. To ensure that the procurement with credit and ghost cards is accomplished pursuant to the policy and procedures established by the County Board.
2. To ensure appropriate internal controls are established within each department procuring with credit and/or ghost cards so that they are used for authorized purposes only.
3. To enhance productivity, significantly reduce paperwork, improve internal controls and reduce the overall cost associated with approved purchases as listed below.
4. To ensure that the County bears no legal liability from inappropriate use of credit and/or ghost cards.

**II. ADMINISTRATION OF THE COUNTY'S RELATIONSHIP WITH THE BANK ISSUING THE CREDIT CARD**

**A. Obtaining Credit Cards and Ghost cards**

1. Credit cards shall be obtained from the bank or financial institution authorized by resolution of the County Board of Supervisors. Ghost cards for high volume

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purchases shall be obtained from the same banking institution that credit cards are obtained from and as authorized by the County Board of Supervisors.

2. Once credit cards and/or Ghost cards are authorized by the Board of Supervisors, the County Administrator will coordinate and arrange for issuance of credit and/or ghost cards in accordance with this policy.
3. The County Administrator and Treasurer shall review enrollment forms, verify all information, and submit an application for credit and/or ghost cards to the bank or financial institution identified in subparagraph (1) hereof. The Chairman of the Board of Supervisors shall sign the enrollment forms on behalf of the County.
4. Credit and/or ghost cards shall be issued to:
  - a. Those Department Heads (hereinafter “Cardholders”);
  - b. For the purposes indicated and at the expenditure limits set forth in *Schedule “A”* which may be amended from time to time by further resolution of the County Board of Supervisors.
5. All Cardholders shall execute the Cardholder authorization form annexed hereto as *Schedule “B”* and sign the back of the credit card upon receipt (signature on ghost cards is not possible and hence not necessary).
6. The aggregate County credit limit for all issued credit and ghost cards shall be \$252,000.

**B. Contact With Card Issuer Representatives.**

1. The following officials are authorized to discuss credit card invoices, payments, disputes, temporary limit excess and similar matters:
  - a. Treasurer or designee.
  - b. County Administrator.
  - c. Assistant County Administrator.
2. Cardholders are authorized to discuss credit card invoices, disputes and lost or stolen cards for their for respective department issued credit and/or ghost card(s).

**C. Online Management of Credit Cards.**

The County Administrator, the Assistant County Administrator and/or designee of the County Administrator shall arrange for online management of credit and/or ghost cards including required passwords for purposes of viewing account expenditures and payments,

card charge requests, new applications, reconciling invoices and other features typically offered by Banks or credit card issuers as online management tools.

**III. USE OF THE CREDIT CARD, REVOCATION AND RECORD KEEPING**

**A. Authorized Users**

1. The Cardholder who is issued the card or ghost card is the only person authorized to use that card, except:
  - a. In the instance of the Clerk of the Board who may authorize other County officials or employees to use the card for lodging or general use using the forms annexed hereto as *Schedules "C" and "D"*; and
  - b. With respect to the other Cardholders, the Cardholder may allow staff in their respective County Departments to make purchases using the cards or ghost cards, but this shall only be allowed after the credit card use form annexed hereto as *Schedule "C" or "D"* is completed.

**B. Authorized Purchases**

The credit card or ghost card is to be used in the conduct of the County's business only. The use of a County credit card or ghost card to acquire or purchase goods and services for other than official use of the County is fraudulent use and will subject the employee to disciplinary action up to and including dismissal. In addition, the fraudulent use will be reported to the appropriate law enforcement agency for investigation and possible prosecution.

**C. Rules of Use**

The following restrictions will apply to purchases made with credit or ghost cards:

1. The goods or services must be budgeted and legally allowable.
2. The total value of a transaction shall not exceed a Cardholder's card limit. Payment for a purchase WILL NOT be split into multiple transactions to stay within the card limit.
3. Spending limits for the month must be adhered to.
4. Credit and/or ghost card users must inform the merchant that the purchase is tax exempt and provide tax exempt form as necessary.
5. Credit card and/or ghost card users must retain vendor's receipts and/or records of telephone, Internet, and/or mail orders for future reconciliation of the credit card statement. Cardholders or designees shall attach receipts, etc. to the invoice batch submitted to the County Auditor when requesting payment of credit and/or ghost card

purchases attributable to the Cardholder or the Cardholder's Department as appears on monthly statements.

6. Credit card and/or Ghost card users must still complete Purchase Orders as required by the County Purchasing Policy (identifying the credit/ghost card issuing bank as payee and providing details as to the service or item purchased). Nothing in this policy shall be construed as a means to circumvent the existing Purchasing Policy of the County in regards to bidding requirements, both formal and informal.
7. Any incentive program benefits arising from the use of County credit cards and/or ghost cards shall be the property of the County and deposited in the County General Fund. The County Board of Supervisors shall determine the use of such incentives, if any.

**D. Unauthorized Credit or ghost Card Use**

1. The credit and/or ghost card SHALL NOT BE USED for the following:
  - a. Personal purchases or identification.
  - b. A purchase that exceeds the Cardholder's monthly purchase limit.
  - c. Cash advances.
2. A credit card or ghost card user who makes unauthorized purchases shall be liable for the total dollar amount of such unauthorized purchases, plus any administrative fees charged by the Bank or card company in connection with the misuse.

**E. Cardholder Record Keeping**

1. When the purchase is made over-the-counter, the credit/ghost card user shall retain the invoice and "customer copy" of the charge receipt. The credit/ghost card user is responsible for checking that the vendor lists the quantity, fully describes the item(s), and includes any tax prior to the credit card user signing the slip. Invoices for meals, hotel stays, etc. will include an itemized list of all items and services purchased.
2. When the purchase is made on the Internet, the credit/ghost card user shall print a copy of the receipt and order confirmation before exiting the site.
3. When a purchase is made over the telephone, the credit/ghost card user shall have the vendor fax or email them a copy of the receipt.
4. When the purchase is made by mail, the credit/ghost card user shall retain all confirmations and shipping documentation.

5. When an item is returned, the vendor shall issue a credit, which should appear on a subsequent statement. *Under no circumstances should the credit/ghost card user or Cardholder accept cash in lieu of a credit of the credit card account.*

**F. Review of Monthly Statement**

1. At the end of each billing cycle, the Cardholder or staff member designated in writing or by email shall receive his/her monthly statement of account that will list the transactions to the Cardholders credit card for that period.
2. The Cardholder or staff member designated in writing or by email shall check each transaction listed on the monthly statement against the authorizations to verify that the statement is correct. If an item is returned and a credit voucher received, the Cardholder or designee shall verify that this credit is reflected on the monthly statement.
3. If purchased items are not listed on the monthly statement, the appropriate transaction documentation shall be **RETAINED** by the Cardholder until the next monthly statement. If the purchase or credit does not appear on the statement within 60 days after the date of purchase or return, the Cardholder shall notify the County Administrator and the Treasurer.
4. If in reviewing the monthly statement, if it is known that an item purchased was found to be unacceptable or not received or not even ordered, the Cardholder or designee is responsible for either, obtaining the item, obtaining a replacement or indicating a dispute of a non-ordered item as soon as possible as indicated herein. In the case of an item that has been ordered that is not acceptable, the Cardholder should attempt to receive that item by the date the Cardholder receives his monthly statement or consider placing the item into dispute. If any items are placed in dispute by the Cardholder, it should be documented using *Schedule "E"* Transaction Dispute Form and attached to the statement with the originals to be forwarded to the County Auditor and a copy of all documents to be forwarded to the County Administrator or the Assistant County Administrator who shall handle and/or process the dispute as may be determined appropriate.

**G. Cardholder Security**

1. It is the Cardholder's responsibility to safeguard the credit/ghost card and account number and any security codes to the same degree that a Cardholder safeguards his/her personal credit information. A violation of this trust will result in that Cardholder having his/her credit/ghost card withdrawn and disciplinary action.
2. If a credit card or a ghost card number or security code is lost or stolen, the Cardholder shall immediately notify the credit card company, representatives are available 24 hours a day. The County Administrator and Treasurer should also be notified and the Lost/Stolen Card Notification form, *Schedule "F"*, filled out.

3. A new credit or ghost card shall be promptly issued to the Cardholder after the reported loss or theft. A credit card that is subsequently found by the Cardholder after being reported lost shall be submitted to the County Administrator who will then forward the card to the Treasurer for destruction.

**H. Cardholder Separation**

Prior to separation from the County of Warren, the Cardholder shall surrender the credit card and current credit card proofs of purchase to the County Administrator. Upon its receipt, the County Administrator will follow the steps outlined under Review of Monthly Statement and Payment of Credit Card Purchases, and forward the card to the Treasurer to be destroyed. Any Cardholder ghost cards shall likewise be terminated and new ghost cards established.

**I. Revocation of Credit Card Privileges**

1. The issuance of a credit card and/or ghost card to an employee is done at the discretion of the County Board of Supervisors.
2. Failure to comply with proper record keeping procedures as outlined in this policy will be cause to revoke the employee's credit and/or ghost card privileges.
3. Repeated loss or theft of any issued credit or ghost card will be cause to revoke the employee's credit/ghost card use privilege. Failure to immediately report the theft/loss of a card upon discovery may also lead to revocation of the credit/ghost card privilege.

**IV. DOCUMENT SUBMISSION AND PAYMENT OF MONTHLY CREDIT/GHOST CARD INVOICE**

**A. General County Department Procedure**

Original sales documents (packing slip, invoice, cash register tape, credit card slips, etc.) for each transaction MUST be neatly attached to the credit card statement and attach the same to the account payable batch and submit the same to the Auditor's Office within five (5) business days of receiving the monthly statement.

**B. County Administrator Special procedure for Department charges not paid from the General Bank Account**

The County Administrator or designee will process an out of audit accounts payable batch for any charges that are not paid through the General Bank Account. These invoices will be charged to G/L Account - A.391.00 Due from other funds with the department name, vendor and appropriation code entered into the item description.

**C. County Auditor Review and Payment by Treasurer**

1. The Auditor's Office will a) review the documents for accuracy; b) review whether the charges are to the proper accounts, and c) approve the statement for payment.
2. The County Treasurer or staff member designated in writing shall be authorized to access the County's credit account online in order to verify charges and make or push online payments.
3. All purchases made with credit and/or ghost cards shall be paid for within the grace period so that no interest charge or penalties will accrue.

**V. AUDITS**

The Treasurer may, at the Treasurer's discretion, conduct random audits for both card authority and receipt retention as well as statement review.

**SCHEDULE “A”**

Credit card and/or ghost cards shall be issued to the Department Heads (hereinafter “Cardholders”) for the purposes and monthly limits set forth:

- a. Three credit cards in the name of the Clerk of the Board of Supervisors, in care of the County of Warren, for travel and lodging and general use purposes each with a monthly credit limit of \$10,000;
- b. Two credit cards in the name of the Sheriff for travel and lodging and general use purposes, each with a monthly credit limit of \$5,000;
- c. One credit card in the name of the Superintendent of the Department of Public Works for E-bay fees only with a monthly credit limit of \$1,000;
- d. One credit card in the name of the Purchasing Agent for eBay fees only with a monthly credit limit of \$1,000; and
- e. Up to five ghost cards in the name of the Department(s) individually and for use with high volume vendors as selected by the County Administrator with four cards to have a monthly credit limit not to exceed \$15,000 and one card to have a monthly credit limit not to exceed \$150,000.

Use of credit cards for travel and lodging shall be for the purposes set forth as *Schedule “D”*.

Use of credit cards for general purposes shall include purchases of a small dollar amount, food service, fuel, supplies, materials, conference registrations, hardware store purchases, Federal Express, United Parcel Service and postal charges, other miscellaneous items authorized in Department Budgets, except when the County has an established account or using a ghost account with a vendor in which case that account shall be used and not the credit card. General purposes shall not include alcoholic beverages, tobacco, lottery tickets, cash advances or ATMs, gift certificates or purchases that require Board Resolutions until such a Board Resolution has been adopted.

SCHEDULE "B"

**ACKNOWLEDGEMENT OF RECEIPT OF THE  
MASTERCARD PURCHASE CARD**

I acknowledge that, on the date indicated below, I received a Purchase Card for my Department's use. I have previously received a copy of the County Credit Card Policy which set forth, among other things, Cardholder use and responsibilities. I understand that:

The Purchase Card is a cost-effective method for the purchase and payment of small dollar material transactions and is limited to \$\_\_\_\_\_ per month.

The Purchase Card is to be used solely for business purchases; not personal purchases.

I am responsible for reconciling monthly statements and maintaining accurate accounting records.

Should my employment with Warren County terminate, I am responsible for returning the Purchase Card to the County Administrator.

Department Head Name: \_\_\_\_\_  
(Please Print)

Department Head Signature: \_\_\_\_\_

Date: \_\_\_\_\_

SCHEDULE "C"

GENERAL CREDIT CARD AUTHORIZATION

Date: \_\_\_\_\_ Appropriation Code: \_\_\_\_\_ Amount \$ \_\_\_\_\_

Purchase Order # (if required): \_\_\_\_\_

This is to confirm \_\_\_\_\_ is authorized to use my credit card for \_\_\_\_\_ (merchandise) for County purposes. All purchases are tax exempt.

Vendor Name: \_\_\_\_\_

Date of Purchase: \_\_\_\_\_

Name on credit card: Clerk of the Board (Amanda Allen)

Card Number: Ending in: \_\_\_\_\_ Mastercard / Visa / Other \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Call me at (518) 761-6563 with any questions.

I understand that I am responsible for all charges noted above that are incurred on this account.

CARDHOLDER'S SIGNATURE \_\_\_\_\_

CARDHOLDER'S NAME (please print) Clerk of the Board (Amanda Allen)

SCHEDULE "D"

TRAVEL CREDIT CARD AUTHORIZATION

Date: \_\_\_\_\_ Appropriation Code: \_\_\_\_\_ Amount \$ \_\_\_\_\_ This is to confirm \_\_\_\_\_ is authorized to use my credit card for airline tickets, hotel charges and conference fees (as listed below) for County purposes. All purchases are tax exempt.

AIRLINE TICKETS:

Date of Purchase: \_\_\_\_\_ Name of Airline: \_\_\_\_\_

HOTEL CHARGES:

Name and address of hotel: \_\_\_\_\_

Arrival Date: \_\_\_\_\_ Departure Date: \_\_\_\_\_

- Room and room tax charges (tax exempt must have form)
- Long distance phone calls
- Banquet and meeting room charges
- Local phone calls
- Restaurant charges
- Laundry charges

CONFERENCE FEES:

Date of Purchase: \_\_\_\_\_ Name of Organization (ie. NYSAC): \_\_\_\_\_

Name on credit card: Clerk of the Board (Amanda Allen) \_\_\_\_\_

Card Number: Ending in: \_\_\_\_\_ Mastercard / Visa / Other \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Call me at (518) 761-6563 \_\_\_\_\_ with any questions.

I understand that I am responsible for all charges noted above that are incurred on this account.

CARDHOLDER'S SIGNATURE \_\_\_\_\_

CARDHOLDER'S NAME (please print) Clerk of the Board (Amanda Allen) \_\_\_\_\_

SCHEDULE "E"

COUNTY OF WARREN  
TRANSACTION DISPUTE FORM

Cardholder Information:

Cardholder's Name: \_\_\_\_\_

Card Number: \_\_\_\_\_

Cardholder's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Vendor Name: \_\_\_\_\_

Statement Date: \_\_\_\_\_ Transaction Date: \_\_\_\_\_

Transaction No. \_\_\_\_\_ Posting Date: \_\_\_\_\_

Amount Disputed: \_\_\_\_\_

Dispute:

The item referenced above is being disputed because:

\_\_\_ There is a difference in the amount I authorized and the amount I was billed. (A copy of your charge must be attached.)

\_\_\_ I only transacted one charge and I was previously billed for it. (Date of Purchase charge: \_\_\_\_\_.)

\_\_\_ The above transaction is mine, but I am disputing the transaction. (Please state your reason for the denial in detail.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_ I do not recognize the above transaction.

\_\_\_ I have received a credit voucher for the above transaction, but it has not yet appeared on my account. (A copy of the credit voucher must be attached.)

\_\_\_ My account has been charged for the above transaction, but I have not received the merchandise. The details of my attempt to resolve the dispute with the merchant and the merchant's response are indicated below. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**Attach the completed form to your monthly statement for review and approval by your Approving Supervisor and the Auditor's Office and County Administrator or Assistant County Administrator.**

SCHEDULE "F"

COUNTY OF WARREN  
LOST/STOLEN CARD NOTIFICATION

Cardholder's Name: \_\_\_\_\_

Card Number: \_\_\_\_\_

**Please Check One:**

Card was:    \_\_\_\_\_ Lost  
              \_\_\_\_\_ Stolen  
              \_\_\_\_\_ Other (Describe) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Describe how card was lost/stolen: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Was a Police Report filed (Circle):            Yes            No

If yes: Department: \_\_\_\_\_

Report Number: \_\_\_\_\_

**Cardholder Notified the Credit Card Company:**

Date: \_\_\_\_\_

Time: \_\_\_\_\_

Cardholder's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Treasurer's Signature: \_\_\_\_\_ Date: \_\_\_\_\_