

ORDINANCE No. 2021- 06

AN ORDINANCE ESTABLISHING  
THE CREDIT CARD USE POLICY  
WITHIN SAN JUAN COUNTY

WHEREAS, the Board of San Juan County Commissioners has determined a need to adopt rules and regulations for use of County managed Credit Cards; and

WHEREAS, Utah Code Annotated § 17-33-3 formulates the process for Counties to establish a personnel system administered in a manner that will provide for the effective implementation of the following principles: (3) training of employees as needed to assure high quality performance; and

WHEREAS, adopting a Credit Card Use Policy will aid in compliance with adopted San Juan County purchasing and procurement rules as well as State Law.

NOW THEREFORE, THE COUNTY LEGISLATIVE BODY OF SAN JUAN COUNTY ORDAINS AS FOLLOWS:

Section 1: SEVERABILITY: If any provision or clause of this ordinance or the application thereof to any person or circumstances is held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other sections, provisions, clauses or applications hereof which can be implemented without the invalid provision, clause or application hereof. To this end the provision and sections of this ordinance are declared to be severable.

Section 2: EFFECTIVE DATE: This ordinance shall take effect, fifteen (15) days after the enactment, and after depositing a copy in the Clerk/Auditor's Office and publication in a newspaper having general circulation in the County, as required by Utah Code Annotated § 17-53-208

PASSED AND APPROVED on this 17 day of August 2021.

  
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Willie Grayeyes, Chair  
Board of San Juan County Commissioners

Attest:

  
\_\_\_\_\_  
Lyman W. Duncan Clerk/Auditor

## San Juan County Credit Card Use Policy

All transactions charged to Credit Cards shall be made in compliance with adopted San Juan County policies and procedures. San Juan County Credit Cards shall not be used to avoid or bypass adopted purchasing or procurement rules. Employees should exercise good judgement and act responsibly when using a County-issued Credit Card. Credit cards are to be used only by authorized San Juan County Government employees.

Credit cards should be used as often as possible when making approved purchases. Employees are discouraged from using personal funds to pay for County expenses. The County will only reimburse employees who use personal funds to pay for legitimate County expenses. Department head must provide written approval of the purchase.

1. **Requesting a Credit Card:** Department must request the Credit Card for the employee. Before a card is issued an employee must sign the Credit Card usage agreement form.
  - a. Distribution of Credit Cards should be limited to those employees who have a compelling business need. Credit Cards should not be provided to employees and officers who have only an occasional or infrequent use. The sharing of Credit Cards is discouraged as it further weakens oversight.
2. **Responsibility for Credit cards:**
  - a. Department head is ultimately accountable for use of any County Credit Cards assigned to their Department.
3. **Custody of Credit Card:**
  - a. The Credit Card is the property of San Juan County and must be kept secure at all times.
  - b. If a Credit Card is lost or stolen, the employee shall immediately notify the County Administrator to cancel the Credit Card, then shall notify their Department head.
4. **Sales tax:** As a governmental agency San Juan County is exempt from paying sales tax on everything except hotel reservations.
  - a. When payment is made using a County Credit Card sales tax shall not be paid.
  - b. In those cases where sales tax is unavoidable, approval of the tax must be obtained from the County Clerk/Auditor.
5. **Limits and Restrictions:**
  - a. Each County Credit Card is assigned a monthly, daily and per-transaction limit as determined by San Juan County Administrator
  - b. A single purchase cannot be split into multiple transactions to bypass card limits.
  - c. If authorized limits become insufficient to meet Department needs, an increase may be requested by the Department head.
  - d. Temporary, per-transaction limit-increases for purchases may be approved on an approved purchase order.
  - e. County Credit Cards have been set up to block some transactions based on supplier's merchant category code.
    - i. If the Department head believes a transaction should not have been declined they can request that the category is added to the cardholder's profile.
6. **Card Payments:**

- a. Purchases made over \$1000 must have an approved purchase order prior to purchase being made

7. Credit Card Reconciliation:

- a. All Credit Card users will submit a Credit Card reconciliation monthly, no later than the 25<sup>th</sup> of the month, with an itemized receipt for each charge.
- b. Receipt must include:
  - i. Vendor Name
  - ii. Quantity purchased
  - iii. Unit cost
  - iv. Description of product
    - 1. purchase of food
      - a. What was it purchased for (i.e. Staff meeting)
      - b. Who attended the meeting (names of all in attendance)
  - v. Transaction date
- c. If no itemized receipt is submitted a missing receipt form must be completed signed by both card holder and Department head. Excessive use of the missing receipt form may result in loss of Credit Card privileges.

8. Unauthorized Uses:

- a. Any employee found using a County Credit Card for an unauthorized use may be subject to the employment disciplinary process, in accordance with the San Juan County Personnel Policy, the following as examples of unauthorized charges:
  - i. Personal, non-official expenses of any kind, for any reason
  - ii. Purchases considered an inappropriate use of public funds
  - iii. Using the County Credit Card to get a Cash, gift cards or other cash equivalents
  - iv. Professional services without a current County agreement.
- b. Any unauthorized use may result in criminal charges
- c. If a County Credit Card is used for personal expenditures by accident the employee can reimburse the County for expense at 150% of the expense charged (this is a requirement of State Law and cannot be waived or changed by the County)

9. Audits/Reviews:

- a. Credit cards are subject to audits and reviews by the office of the San Juan County Administrator or it's agent