

**COUNTY OF ORANGE, VIRGINIA
PERSONNEL POLICIES MANUAL**

CREDIT CARD USE POLICY

POLICY NO.: 8.1

EFFECTIVE: 11/01/2003
REVISED:

OVERVIEW: This defines the policy for issuance and use of County-issued credit cards.

SCOPE: This policy applies to all employees. Use herein of the term “department” or “Department Director” is intended to include Constitutional Officers and their organizations.

PROVISIONS:

A. General:

1. Credit cards will be issued by the County and used only for official County business and in accordance with the County procurement policy adopted by the Board of Supervisors on June 24, 1997 and modified by the Board of Supervisors on April 11, 2000. Exclusive of approved travel, Department-level credit cards will be used only for those purchases for which a purchase order is not required (under \$1,000). Exclusive of approved travel, County-level credit cards will be used only for purchases under \$2,500. All purchases must comply with the County procurement policy.
2. Credit card accounts will be established no lower than department (budget activity) level with cards issued only to permanent employees authorized to make purchases on behalf of the department. Generally, department-level credit card account limits will be no greater than \$5,000.
3. Credit cards will be used only for purchases for which there is approved budget authority.
4. The Director of Finance will maintain County credit card(s) that may be used in lieu of a County check or purchase order when determined necessary by the County Purchasing Agent. These cards will be established with a limit no greater than \$25,000.
5. A credit card account will be established for the County Administrator and a card issued for use as he deems necessary in the furtherance of County business. The County

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Administrator's credit card balance limit will be no greater than \$15,000.

B. Establishing Accounts

1. The Director of Finance will establish all credit card accounts for the County. He will initiate action to establish an account for the County Administrator and recommend for County Administrator approval establishment of such other accounts as are necessary to conduct County business.

2. Department Directors will submit requests through the Director of Finance to the County Administrator to establish credit card accounts within their departments. For convenience in managing expenditures and reconciling bills, large departments (e.g. Public Works; Recreation; Sheriff) may request establishment of more than one account. All requests will include:

- a. The purpose for use of the credit card.
- b. The recommended credit limit for the card and rationale for the limit.
- c. A by-name list of the persons to be issued a credit card.

3. Authorization to maintain a credit card account will be valid until terminated by the Department Director or County Administrator. Any notice of deletion of an authorized user provided to the Finance Department will be accompanied by that user's card.

C. Credit Card Use

1. The preferred method of payment for goods and services provided to the County is through a County check, purchase order, or through a business with which the County has an account.

2. Credit cards may be used for authorized purchases when one of the methods in C.1. is not available or feasible. However, Department Directors will establish internal procedures to ensure that the same methodology and approvals required for purchases using the means of C.1. are used for credit card purchases.

3. When making credit card purchases, the vendors will be informed that Orange County is a tax-exempt organization. Provide the vendor with a tax exemption certificate (available from the Finance Department) when required.

4. Orders may be made through the internet only via a secure site with encryption

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technology. When it cannot be determined that the site is secure, County issued card may not be used for purchase on the Internet.

5. Retain all documentation pertaining to the purchase (such as sales receipt or packing slip). This documentation must be kept on file for reconciliation to the credit card statement.
6. All meal purchases must have an itemized receipt, state the business purpose of the purchase, and include a list of attendees, and fall within the meal cost limits outlined in the Travel and Travel Reimbursement Policy (County Policy 3.8).
7. Returns, credits, and disputed items. In most cases, disputes can be resolved directly between the cardholder and the vendor that provided the goods and/or services. The cardholder must use the following guidelines when returning an item.
 - a. If an item needs to be returned for any reason, the cardholder should send the item back to the vendor in the manner agreed upon.
 - b. The vendor should issue a credit for items that are returned. This credit will appear on a subsequent credit card statement.
 - c. The vendor should issue documentation of the return (such as a credit receipt). All documentation pertaining to returns must be accompany the Request for Payment and reconciliation of the credit card statement.
 - d. If the cardholder and vendor cannot resolve an issue, the cardholder should contact the credit card vendor (phone number on the back of the card). The credit card vendor will investigate the dispute on the cardholder's behalf and assist in the resolution. A temporary credit is normally issued pending final resolution of the issue.
8. Under no circumstances will County credit cards be used for personal purchases.

D. Monthly Reconciliation

1. Departmental credit card statements will be sent to the appropriate department for reconciliation. It is the Department Director's responsibility to complete the reconciliation and submit a Request for Payment to the Finance Department in time to avoid any finance charges. Repeated failure to complete reconciliation in a timely manner will result in cancellation of the credit card account.
2. The Request for Payment for each departmental card account will include an

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assignment of each item purchased to a budget activity and account number. Each purchase will be supported with receipts. If an item has not yet been received, documentation verifying the order and the total cost will be provided with the Request for Payment in lieu of a receipt.

3. When departmental purchases are made using credit cards held by the Director of Finance, the Department Director will provide the Director of Finance with a Request for Payment at the time of the purchase or receipt of the items purchased. Statement reconciliation will then be accomplished within the Finance Department. No employee will commit to a vendor that payment will be made using the Finance Department credit card(s) without first receiving approval from the Finance Director or appropriate Finance Department staff.

E. Credit Card Security

1. Authorized use of the credit card is limited to the person whose name appears on the face of the card. The credit card must not be loaned to another person. Cardholders are personally responsible for the security of the card and ensuring that all purchases made with the card are properly authorized.

2. If the credit card is lost or stolen, the cardholder must immediately notify the Director of Finance and the credit card vendor.

3. Orange County will be liable for use of the credit card by authorized users within the limits of this policy. It will not accept liability for the following:

a. Cards/account numbers that are fraudulently used.

b. Purchases made with stolen or lost cards beyond the liability limits established in the agreement with the credit card company.

F. Credit Cardholder Responsibilities

1. Credit cardholders will execute the Orange County Form 8.1.1, Orange County Government Credit Card Cardholder Agreement, before being issued a credit card.

2. No later than 30 days prior to terminating employment with Orange County, cardholders will cease use of the credit card in their possession and turn-in the card to their department director or Director of Finance.

3. Credit card statements through the end of the period during which the card was in the

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cardholder's possession will be reconciled before the cardholder is relieved of responsibility for credit card purchases. A final Orange County paycheck will not be issued until the employee is cleared of responsibility for the credit card formerly in his/her possession. The Department Director (or Director of Finance in the case of Department Directors) will provide the Director of Human Resources with a statement that the individual is clear of credit card responsibility prior to the individual outprocessing with HR and HR providing final pay and leave/sick leave/comp time reimbursement information to Finance.

4. Other than in the case of a reported lost or stolen card, if it is determined that a cardholder is responsible for an unauthorized purchase with a card, the cardholder may be required to reimburse the County for the amount of the purchase.

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Orange County Government Credit Card
Cardholder Agreement

I, _____, hereby accept an Orange County Credit Card. As a cardholder, I agree to comply with the following terms and conditions regarding my use of the card:

1. I agree to comply with the provisions of Orange County Policy 8.1 and the approved Orange County Procurement Policy.
2. I agree to use this card only for County purchases and will not use it for personal purchases.
3. I understand that I may be held personally liable for unauthorized purchases made with this card either by me or due to my exercising lack of due care in providing security for the card or account number.
4. I understand my obligation to return the card immediately upon request and no less than 30 days prior to termination of my employment (including retirement). I understand and agree that I will not receive my final pay until such time as my final credit card statement has been received and is reconciled.
5. I understand my obligation to maintain supporting documentation for all charges made with the card. I further understand that my failure to do so may result in my personal liability for finance charges incurred as a result of insufficient documentation.
6. I understand my obligation to notify my department director (or Director of Finance) and the credit card vendor immediately upon discovering that the card has been lost or stolen.
7. I understand that Orange County is a tax exempt organization and I make every effort to ensure the County is not charged sales tax on any purchases made with the credit card.

_____	_____	_____	
Employee	SSN	Date	
_____	_____	_____	
Department Director	Date	Director of Finance	Date