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January 26, 2010

Salt Lake County Council
2001 South State Street, #N2200
Salt Lake City, UT. 84190-1010

Attention: Councilman Joe Hatch:

Re: Approval of Countywide Policy and Procedure # 7036, *Charge Cards / Proprietary*

Dear Councilman Hatch:

Countywide Policy & Procedure # 7036, *Charge Cards / Proprietary*, has been reviewed and approved by the Steering Committee. I am forwarding it to the Council with my request that it be discussed by the Legislative Subcommittee for eventual adoption by the Salt Lake County Council.

This policy establishes guidelines for the acquisition and use of proprietary charge cards issued to Salt Lake County employees or divisions. These cards will be approved for specific types of purchases. Only items exempt from competitive bidding may be purchased with the charge card. This will allow county agencies, such as Parks and Recreation and Youth Services, to make bulk purchases which will result in savings for Salt Lake County.

Sincerely,

Doug Willmore, Chief Administrative Officer
Salt Lake County Office of the Mayor

Attachment



SALT LAKE COUNTY
COUNTYWIDE POLICY
ON
CHARGE CARDS / PROPRIETARY

Purpose –

The purpose of this policy is to establish a set of guidelines for the use and acquisition of proprietary charge cards issued to County employees or divisions.

Reference -

Salt Lake County Ordinance Chapter 3.15
Salt Lake County Ordinance Chapter 3.20
Salt Lake Countywide Policy and Procedure #1020, County Meals
Salt Lake County wide Policy 1202, Authorization and processing of Certain Payments
Salt Lake Countywide Policy #7021, Small Cost Purchasing Procedures

1.0 Obtaining a Proprietary Charge Card

- 1.1 An application or agreement must be approved as to form by the District Attorney's Office.
- 1.2 The application or agreement must be reviewed by the purchasing agent or designee and approved for specific types of purchases. A letter from the division director of the requesting division must accompany the application stating the intended use of the card and the requested monthly credit limit.
- 1.3 Only those items that are exempt from competitive bidding may be purchased with the charge card.
- 1.4 Only the Mayor or designee shall sign all applications or agreements.

2.0 Using the Charge Card

- 2.1 Immediately upon receipt of the card it must be signed by the cardholder if required.
- 2.2 The card will be issued in the name of the employee. The cardholder is responsible for the proper usage and safeguarding of the card and is the only authorized user of that card
- 2.3 Cards may also be issued in the name of the division. In these cases, the division director or their designee is responsible for the proper usage and safeguarding of the card and is also responsible for any delegation of use of the card.
- 2.4 The intended use of the card will be expressed in a letter from the division director from the requesting division that must accompany the application when sent to the purchasing agent for review. The purchasing agent shall approve or disapprove the intended use.
- 2.5 Each card will have a single or monthly limit and may not exceed the single or monthly limit set for each cardholder.

- 2.6 Purchases may be made in-store, by mail, by phone, by fax or on the internet.

3.0 Unallowable Purchases

- 3.1 Sales tax is not an allowable purchase. If sales tax is paid, the cardholder is responsible for getting a refund from the vendor in the form of a credit back to the charge card or personally reimbursing the county.
- 3.2 No travel (i.e. airfare, hotel, rental car) may be purchased.
- 3.3 No personal purchases with the charge card even if the cardholder had intended to reimburse the county.
- 3.4 Gift cards purchased may be only for clients/customers. Each division should have internal procedures outlining the use and tracking of the gift cards.
- 3.5 No meals unless specifically allowed under county-wide Policy 1020.
- 3.6 No use of the charge card by anyone other than the named charge cardholder or as designated by the division director for those divisions with a card issued in the division name.

4.0 Credit Limits

- 4.1 Each charge card will have a credit limit.
- 4.2 To increase the credit limit, the division director must submit a written request with justification to the purchasing agent. The purchasing agent will make the decision as to increasing the limit on the card.

5.0 Reconciliation and Record Keeping

- 5.1 Copies, either hardcopy or electronic copy are acceptable, of all receipts and statements must be kept by the division or department in a secure location and should comply with the retention schedule set for accounts payable documents.
- 5.2 The cardholder will reconcile original receipts with the bank statement monthly.
- 5.3 Original statements and receipts shall be submitted to the Auditor's Office for payment by GAX document. To facilitate audit/review of receipts and statements, the person submitting the request for payment should include a brief, written statement explaining for what County purpose the item was purchased, if the item does not obviously fit the criteria of this policy (such as 1.3, exempt from competitive bidding).
- 5.4 The card issuer must be notified of any disputed transactions within 60 days of the statement date.

6.0 Discipline

- 6.1 Failure to comply with this policy will result in discipline, which could include rescinding the card, withholding cardholder pay equivalent to inappropriate purchase amount resulting from inappropriate card use or terminating employment.
- 6.2 The determination to rescind the card may be made by the division director, department director, purchasing agent, or elected official.

7.0 Lost or Stolen Cards

- 7.1 If a card is lost or stolen, the card issuer, the cardholder's supervisor, fiscal manager and the program administrator should be notified immediately.

8.0 Audits

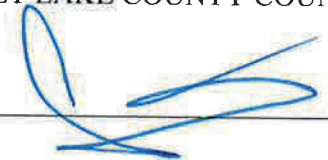
- 8.1 Audits of the charge card system may be conducted at any time. Fiscal administrators will review charge card activity in their departments on at least an annual basis.

9.0 Employee Termination

- 9.1 Upon notice of a cardholder terminating their current employment, the cardholder's fiscal manager is responsible to take possession of the card and any outstanding original receipts. The fiscal manager should immediately notify the card issuer and close the account.

APPROVED and PASSED this 9th day of February, 2010.

SALT LAKE COUNTY COUNCIL



Joe Hatch, Chair

ATTEST:



Sherry Swensen, County Clerk

APPROVED AS TO FORM:



2-170
District Attorney's Office Date