CATRON COUNTY
BOARD OF COUNTY COMMISSIONERS
RESOLUTION № 056-2020
ESTABLISHING A CREDIT CARD POLICY

WHEREAS, the Catron County Commission met in a meeting on February 13, 2020 at 9:00 A.M. in the Catron County Fire Administration Building, 3 Mountaineer Rd., Reserve, New Mexico; and,

WHEREAS, NMSA 1978, Section 4-38-13 (1953) provides that board of county commissioners shall have power at any session to make such orders concerning the property belonging to the county as they may deem expedient; and,

WHEREAS, proper credit card use by Catron County Officials (including employees) conducting County business is essential for the efficient operation of county government, for the protection of county property and for maintaining a safe & healthy work environment.

NOW THEREFORE, BE IT RESOLVED, by the Catron County Board of County Commissioners that the attached Credit Card Policy is hereby enacted.

APPROVED, ADOPTED, AND PASSED on this 12th day of March 2020.

BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF CATRON

ATTEST:

M. Keith Riddle, Clerk

Anita Hand,
Vice-Chair, District I

John Cliff Snyder
Commissioner, District II

Van J. "Bucky" Allred
Chairman, District III
I. Purpose
Catron County may issue County credit cards to the Department Heads/Elected Officials for uses limited to lodging and certain charges where a check would not be applicable; this policy sets out the acceptable and unacceptable uses of such credit cards. Further, this policy sets forth guidelines regarding the application, use, and termination of credits cards issued to these Catron County employees/Elected officials.
II. Overview
Use of County-issued credit cards is a privilege, which the County may withdraw at any time for any reason. Credit Cards issued must be used for County business purposes only, in conjunction with the employee’s job duties.

III. Issuance

A. Financial Institution & Credit Limits
Credit cards will be issued by a financial institution designated and approved by the Board of County Commissioners. Further, the Board of County Commissioners will determine maximum credit limits issued to each eligible department. Any County-issued credit cards will not be authorized to take cash advances. Monthly billings for County credit cards will be mailed directly to the County’s accounts payable office and a cardholder may not change the billing address.

B. Eligible Employees
The Only employee’s eligible to be cardholders will be the Sheriff, Assessor, Treasurer, Clerk and County Manager. For the purpose of this policy the term employee also mean’s elected official. Any Department wishing to utilize the credit card must submit a PO request regardless of Purchase cost, the correct documentation and a letter stating why credit card purchase is necessary.

IV. Credit Card Use

A. Business Use
County credit cards shall not be used for any non-business, non-essential purpose, i.e., for any personal purchase or any other transaction that is not authorized or needed to carry out their duties. The designated cardholders must pay for personal purchases (i.e., transactions for the benefit of anyone or anything other than the Company) with their own funds or personal credit cards. The County will not regard expenses for one’s own business-related use, such as lodging and meals while on company-approved business trips, as personal purchases, as long as such expenses are consistent with the County’s travel and expense reimbursement policy. Any purchase must comply with the County’s Current Procurement Policy, and the New Mexico Procurement Code, NMSA 1978, Sections 13-1-26 et seq.

<table>
<thead>
<tr>
<th>EXAMPLES OF QUALIFIED PURCHASES – EXCLUDES TRAVEL</th>
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</thead>
<tbody>
<tr>
<td>QUALIFIED PURCHASES¹</td>
</tr>
<tr>
<td>Mail (postage, Fed Ex, UPS)</td>
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<tr>
<td>Business and job related books, periodicals, video tapes, and subscriptions (including online)</td>
</tr>
<tr>
<td>Hotels/Motels for business events</td>
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<tr>
<td>Memberships for professional affiliations/organizations</td>
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<tr>
<td>Registrations for events that are not travel-related</td>
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¹ Includes purchases that are directly related to the County’s business operations.
EXAMPLES OF UNQUALIFIED PURCHASES – EXCLUDES TRAVEL

<table>
<thead>
<tr>
<th>UNQUALIFIED PURCHASES</th>
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</thead>
<tbody>
<tr>
<td>Alcohol, entertainment</td>
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<tr>
<td>Construction services (i.e., electrical, roofing, plumbing, heating, landscaping, etc.) or services of any kind requiring a certificate of insurance</td>
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<tr>
<td>Delivery of propane</td>
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<tr>
<td>Entertainment</td>
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<tr>
<td>Gift cards/Gift certificates</td>
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<tr>
<td>Greeting cards</td>
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<tr>
<td>Moving services of any kind (i.e., safes, voting machines, furniture, etc.).</td>
</tr>
<tr>
<td>Over-the-counter medications – All (i.e., Tylenol, Advil, cough syrups, etc.)</td>
</tr>
<tr>
<td>Past due invoices,</td>
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<tr>
<td>Personal charges</td>
</tr>
<tr>
<td>Pesticide services</td>
</tr>
<tr>
<td>Professional carpet cleaning/installation</td>
</tr>
<tr>
<td>Recreational equipment (i.e., jumpers, rock climbing wall, dunk tank, etc.)</td>
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B. **Spending Limits**
Each credit card is linked to the same account with a set spending limit, set by the County Manager.

C. **Receipts & Reporting**
It is the cardholder's responsibility to obtain transaction receipts from the merchant each time the credit card is used. It is Catron County's policy that all receipts must accompany a purchase requisition form and be submitted to the Procurement office immediately after purchase. Failure to provide supporting documentation may result in forfeiture of right to use the credit card. Purchases made without proper documentation may also be denied by the Accounts Payable office and become the financial responsibility of the purchaser.
It is the cardholder’s responsibility to follow-up on any erroneous charges, returns or adjustments to ensure proper credit is given on subsequent statements.

D. **Card Protection**
The credit card is valuable property which requires proper treatment by the cardholder to protect it from misuse by unauthorized parties. The credit card should always be treated with the same care as personal credit cards, bankcards, cash and checks. It is for this reason that the credit cards will be kept in a secure location. When using the credit card for internet purchases, cardholders should make sure that the site utilizes industry recognized encryption transmission tools (e.g. such as VeriSign).
When the expiration date is passed and/or after you have received a new credit card, cut the old credit card in half and give it to the Accounts Payable office.
If the credit card is lost, stolen, or in the case of identity theft, contact the issuing financial institution's 24-hour reporting number immediately then notify your immediate supervisor and the accounts payable office.
E. **Use Violations**

Credit Card violations may include but are not limited to:

- Purchase of items for personal use
- Purchase of items in violation of the County Travel Policy
- Allowing unauthorized users to use the County credit card
- Use of the credit card for cash advances
- Exceeding card credit line limit
- Person of items in violation of the County Procurement Policy
- Failure to promptly return the credit card when a cardholder is reassigned, terminated or at the discretion of Management

F. **Violation Consequences**

If the cardholder uses a County credit card for personal purchases in violation of this policy, the cost of such purchase(s) will be considered an advance of future wages payable to that employee, and will be recovered in full from the employee's next paycheck; any balance remaining will be deducted in full from subsequent paychecks until the wage advance is fully repaid. Such deductions will not take the employee's pay below minimum wage for the pay period(s) in question.

If the credit card is used for any other type of unauthorized transaction in violation of this policy, i.e., incurs financial liability on the County's part that is not within the scope of the employee's duties or the employee's authorization to make business-related purchases, the cost of such purchase(s) or transaction will be the financial responsibility of that employee, and the employee will be expected to reimburse the County via deductions from pay until the unauthorized amount is fully paid. Such deductions will be in the amount of the unauthorized purchase(s), but if a deduction for such amount would take the employee below minimum wage for the workweek in question, the deductions will be in two or more equal increments that will not take the employee's pay below minimum wage for any workweek involved.

In addition to financial responsibility and liability for wage deductions, any purchases made by the cardholders with a company credit card in violation of this policy will result in disciplinary action, up to and possibly including termination of employment, depending upon the severity and repeat nature of the offense.

G. **Internal Control**

Cardholder violations to this agreement, or to any County policy regarding the purchase of goods or services, may be investigated by the County Manager or her designee whom also will recommend disciplinary actions that may be taken (i.e. written warning, revocation of credit card privileges, cancellation of delegation of purchasing authority, criminal prosecution, and disciplinary action up to and including termination).

V. **Credit Card Cardholder Agreement**

The Cardholders agree to comply with all applicable County policies and procedures by signing the attached acknowledgement form. When signed and accepted, that acknowledgement form acts to
assign the formal delegation of purchase authority to the County credit cardholder to execute credit card purchases.

VI. Ownership and Cancellation of the Credit Card
The County credit card remains the property of Catron County and may not be transferred to, assigned to, or used by anyone other than the designated cardholder. The cardholder is accountable for the activity on the card.
Catron County may suspend or cancel cardholder privileges at any time for any reason. The cardholder will surrender the credit card upon request to the County Manager or designee.

VII. Credit Policy Acknowledgement
& Agreement For Wage Deductions Associated With Improper Use Of County Issued Credit Cards

I, _________________________________ (employee’s name), hereby certify that I understand and agree to abide by the County’s policy regarding use of company-issued credit cards, a copy of which I have received, and which has been explained to me. I agree that if I make any personal purchases (i.e., transactions for the benefit of anyone or anything other than the County) in violation of that policy, the amount of such purchases is an advance of future wages payable to me, that the County may deduct that amount from my next paycheck, and that if there is a balance remaining after such deduction, the County may deduct the balance of the wage advance from my future paychecks until the amount is repaid in full.
I further agree that if I make any non-personal transactions in violation of the policy in question, i.e., incur financial liability on the Company’s part that is not within the scope of my duties or my authorization to make business-related purchases, I am financially responsible for any such expenses and agree to reimburse the Company via wage deductions for such amounts until the unauthorized amounts are fully repaid. Such deductions will be in the amount of the unauthorized purchase(s), but if such amount would take my pay below minimum wage for the workweek in question, the deductions will be in two or more equal increments that will not take my pay below minimum wage for any workweek involved.
I have read and understood the attached Catron County Credit Card Policy and agree to abide by the responsibilities as set forth in this document. I understand that any violations to this policy will result in remediation actions as listed in the Policy, up to and including termination of employment.

EMPLOYEE ACCEPTANCE: ___________________________ Date: ________________

Employee #: ___________________________ Department: ___________________________

Department Head/Elected Official: ___________________________ Date: ________________

Manager’s office use only

Manager: ___________________________ Approved Denied Date: ________________
Card Account: ___________________________ Card Number: ___________________________
Issue Date: ___________________________ Notes: ___________________________
PROCUREMENT VIOLATION FORM

Date: __________________________ Department: __________________________

Employee who made the purchase: __________________________________________

Name of Vendor: __________________________ Invoice#: ______________________

All officers, authorized users and their supervisors are responsible for knowing, understanding and adhering to the provision of state laws, regulations and Catron County Procurement Policy.

- Any deviation from these provisions shall be reviewed by the Finance Director and the County Manager, and if a violation has occurred, it may be reported to the CCBCC.
- Continuous or repeated minor violations of this policy can result in referral for disciplinary action.
- Criminal violations can result in prosecution and/or penalties as per NMSA.

This invoice is in violation of procurement for the following reason(s) (check all that apply):

( ) Purchase Order is not provided
( ) Invoice is dated prior to the Purchase Order date
( ) Documentation for purchases is not provided
( ) Other: ___________________________________________________________

Please return this invoice with your written justification on Page 2 for deficient item(s) to the Finance Director for compliance review and comment. **DO NOT DETACH THIS FORM FROM ITS INVOICE. PLEASE USE ATTACHED SHEET PROVIDED FOR JUSTIFICATION.**

FOR ELECTED OFFICIAL/DEPARTMENT DIRECTOR/SUPERVISOR USE ONLY:

I acknowledge that the invoice in question does not comply with the procurement law(s), regulation(s) and/or Catron County Policy. Please accept the attached documentation as justification for this purchase.

______________________________________________________________
Elected Official/Department Director/Supervisor Signature - Date

FOR COUNTY MANAGER USE ONLY:

Pursuant to Section _________ of the Catron County Procurement Policy, I have reviewed the attached information, find the justification appropriate and authorize the Finance Department to pay the invoice in dispute.

______________________________________________________________
County Manager’s Signature - Date
PROCUREMENT VIOLATION FORM

Office Use Only

You have two (2) days to certify receipt for the payment process with your justification.

This box is provided for Elected Official/Department Director/Supervisor justification as to why the item(s) marked were not in compliance.

Course of action taken: