

**DEPARTMENT:** Auditor

**BY:** Christopher Ebie  
**PHONE:** 209-966-7606

*Policy Book*

**RECOMMENDED ACTION AND JUSTIFICATION:** If it is the Board's desire to approve credit card usage for certain county expenditures, then this would necessitate the Auditor's Office to request four actions for approval from the Board.

- 1) Sign the Addendum to State of California Purchase Card Program Master Services Agreement (DGS MSA 5-06-99-01). This is the initial step to participate in the CAL-Card Program.
- 2) Designate an official to approve departmental requests for use of a card.
- 3) Adopt the credit card procedures included with this item.
- 4) The authorization to begin the procurement of credit cards for departments authorized to use them.

The Auditor's Office has received numerous inquires concerning departmental use of a credit card. We have situations where county employees are required to place charges on their personal credit cards to obtain services related to their department. It is also my understanding that we could save hundreds of dollars monthly in remote network connections for Greeley Hill and the Boathouse on Lake McClure by using the vendor Wild Blue who only accepts automatic credit card payments. In addition, the service Wild Blue supplies is superior to the set up we have now.

Included with this agenda item is information about the CAL-Card program. The cards work like any typical VISA card. There are currently over 950 state and local government agencies that have requested to participate in the program. One important advantage is the 45 day turnaround to pay the charges from the invoice date. This works well with governmental agencies.

Also included with this agenda item are draft credit card procedures for your review. One particular item to note is that I do not recommend credit cards should be allowed for employee travel expenditures. Any department requesting a credit card would come under review and would be required to justify the rationale for its use in the department.

It is my suggestion that the Auditor is the approving official for credit card issuance to a department. This is because the Auditor's Office must deal with compliance and reconciliation issues relating to the cards.

In this initial request I am asking for only three departments to have a card issued at this time. Listed are the departments and basic reason for issuance of the card:

Sheriff – Network connections with cost savings and better service  
Fire Department – Securing and paying for lodging for volunteer firefighters.  
Victim Witness Program – Transportation and/or lodging of victims or witnesses.

**BACKGROUND AND HISTORY OF BOARD ACTIONS:** The Board has not established a policy for credit card usage in the past.

**ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:** Inability of departments to provide certain services due to the prominence of credit cards as a method of payment.

Financial Impact? ( ) Yes (X) No Current FY Cost: \$  
 Budgeted In Current FY? ( ) Yes ( ) No ( ) Partially Funded  
 Amount in Budget: \$ \_\_\_\_\_  
 Additional Funding Needed: \$ \_\_\_\_\_  
 Source:  
 Internal Transfer \_\_\_\_\_  
 Unanticipated Revenue \_\_\_\_\_ 4/5's vote  
 Transfer Between Funds \_\_\_\_\_ 4/5's vote  
 Contingency \_\_\_\_\_ 4/5's vote  
 ( ) General ( ) Other

Annual Recurring Cost: \$  
 List Attachments, number pages consecutively  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

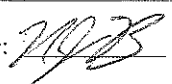
**CLERK'S USE ONLY:**

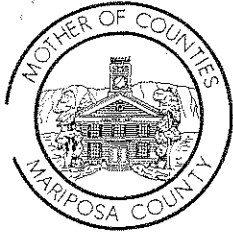
Res. No.: 07-225 Ord. No. \_\_\_\_\_  
 Vote - Ayes: 5 Noes: \_\_\_\_\_  
 Absent: \_\_\_\_\_  
 Approved  
 Minute Order Attached ( ) No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.  
 Date: \_\_\_\_\_  
 Attest: MARGIE WILLIAMS, Clerk of the Board  
 County of Mariposa, State of California  
 By: \_\_\_\_\_  
 Deputy

**COUNTY ADMINISTRATIVE OFFICER:**

Requested Action Recommended  
 \_\_\_\_\_ No Opinion  
 Comments:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

CAO: 

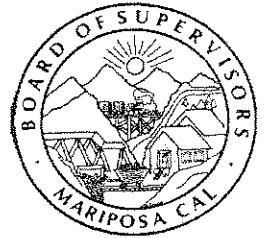


# COUNTY of MARIPOSA

P.O. Box 784, Mariposa, CA 95338 (209) 966-3222

JANET BIBBY, CHAIR  
LYLE TURPIN, VICE CHAIR  
BRAD ABORN  
DIANNE A. FRITZ  
BOB PICKARD

DISTRICT III  
DISTRICT II  
DISTRICT I  
DISTRICT IV  
DISTRICT V



## MARIPOSA COUNTY BOARD OF SUPERVISORS

### MINUTE ORDER

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TO: CHRIS EBIE, Auditor

FROM: MARGIE WILLIAMS, Clerk of the Board *MW*

SUBJECT: Discussion and Development of a Policy Regarding Credit Card Issuance to Departments and Authorization for the Auditor to Proceed with the Procurement of Credit Cards for Departments Authorized to use them by the Approving Official and Authorize the Board of Supervisors Chair to Sign the Addendum to State of California Purchase Card Program Master Services Agreement (DGS MSA 5-06-99-01)

RESOLUTION 07-225

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA

ADOPTED THIS Order on May 22, 2007

#### ACTION AND VOTE:

Chris Ebie, Auditor;

Discussion and Development of a Policy Regarding Credit Card Issuance to Departments and Authorization for the Auditor to Proceed with the Procurement of Credit Cards for Departments Authorized to use them by the Approving Official and Authorize the Board of Supervisors Chair to Sign the Addendum to State of California Purchase Card Program Master Services Agreement (DGS MSA 5-06-99-01)

**BOARD ACTION:** Discussion was held with Chris Ebie concerning the request, and he advised that he is not proposing that the credit cards be used for employee travel expenses and that would involve more administration. This initial request is to handle the following situations: Sheriff/network connections with cost savings and better service; Fire Department/securing and paying for lodging for volunteer firefighters; and Victim Witness Program/transportation and/or lodging of victims or witnesses. Jim Wilson, Fire Chief, provided input on the request and issues of covering costs for training and responding to fires for the volunteers. Rick Benson provided input on the request and advised that he supports the program.

Input from the public was provided by the following:

Bob Brown, District Attorney, stated he is supportive of the program for dealing with the travel expenses for witnesses and victims.

Rick Peresan, Technical Services Director, provided input relative to the network connections and the request for payment by credit card.

Supervisor Bibby asked that the Auditor provide a status report to the Board on how this program is working.

Cheryle Rutherford-Kelly, Human Services Director, requested that the Human Services Department be including in the pilot program for transporting children. Chris Ebie advised that he would be okay with including this request.

Supervisor Bibby asked about including employee travel when they are escorting witnesses, victims. Following discussion, (M)Fritz, (S)Aborn, Res. 07-225 was adopted approving the recommended action, with the inclusion of the Human Services Director's request; and with direction that the cards not be used for employee travel and training expenditures, with the exception of Human Services employees who accompany and/or assist clients and families in the course of their duties. Following further discussion, the motion was amended, agreeable with the maker and second, to include authorization for the Auditor to add other departments that have uses that fall under the criteria for the pilot program. Ayes: Unanimous.

Cc: Rick Benson, CAO  
Policy Book  
File

## Mariposa County Credit Card Policy

**100 - Purchasing Card** - Except as prohibited by Section 100.3, a purchasing card may be used to make authorized purchases at any establishment that accepts credit cards. The merchant is responsible for obtaining authorization for the transaction. Those transactions exceeding the single, daily or monthly transaction limit or are for non-qualified purchases will not be processed. Department heads are responsible for the proper use of purchasing cards issued to employees and for insuring compliance with the policies and procedures provided in this section.

The Auditor will forward a U.S. (Cal-Card) Purchasing Card Cardholder Set-Up/Change Request form for each employee authorized by the Auditor to be issued a card. The employee completes the Applicant Information section and signs the form. The department head completes the Authorization Parameters and by signing indicates approval for issuing the card. The form is returned to the Auditor for review and submittal to U.S. Bank. U.S. Bank will forward the cards to the Auditor. Each card will be issued a unique account number specific to the department and the employee (cardholder).

**100.1 – Lost or Stolen cards** – Promptly report lost or stolen cards to the Auditor, who will immediately notify U.S. Bank and request cancellation of the card. Any unauthorized charges incurred prior to notifying U.S. Bank are the responsibility of the department, not to exceed \$50 in accordance with the U.S. Bank Purchasing Card Agreement.

**100.2 – Card Cancellation** – When a cardholder leaves County employment or the department head rescinds the employee's authorization, it is the responsibility of the department to promptly return the card(s) to the Auditor with a written explanation for cancellation. The department is responsible for any charges incurred after an employee leaves County employment or has the card canceled.

**100.3 – Card Restrictions** – Single transactions cannot exceed \$3,000. Purchasing cards shall not be used for personal items or services, fuel, fixed assets, cash advances, or professional services. Purchasing cards shall not be used for employee travel and training expenditures which include, but are not limited to; meals, travel, lodging, registration and parking. The only exception to this is Human Services employees who accompany and/or assist clients and families in the course of their duties.

Purchasing cards can be used for meals, travel, and lodging for individuals to whom the county is providing services. For example, this includes but is not limited to; transporting witnesses under the Victim Witness Program and training costs for volunteer firefighters.

**100.4 – Supporting Documentation** – Approved purchases will require the employee's (cardholder's) signature verifying the items purchased, and the correct pricing and sales tax (when applicable). All charges must be supported by a sales draft. If the sales draft

does not contain sufficient description to properly identify the items purchased, a detailed receipt or other supporting document by the merchant should be attached to the sales draft. Sales drafts and receipts are to be submitted with the monthly statement to the Auditor's Office to facilitate payment.

A written log of purchases made by telephone must be maintained. The log will be used to reconcile purchases against the monthly statement and must include the employee (cardholder) name, card (account) number, order date, items purchased, amount charged, date goods received, and the billing statement date.

**100.5 – Card Purchase Payments** – At the close of each billing cycle, departments will receive a Statement of Account, which is the official invoice on which the Auditor will make payment. Departments must review the Statement of Account for accuracy and verify that each charge is supported by a sales draft. The Statement of Account signed by an authorized department employee is forwarded to the Auditor, along with supporting documentation.

If the department identifies any incorrect or non-allowable charges, then the department will prepare a request for credits for incorrect charges. The request shall be supported by a detailed explanation. The Auditor will make these adjustments before the next billing cycle. If a change to the statement is made, a copy of the revised statement will be returned to the department.

**100.6 – Unauthorized Card Use** – Employees that misuse their cards will lose all card privileges. Misuse is defined as purchasing multiple items over several days to avoid the competitive bid process, splitting items to circumvent the fixed asset process or the card transaction limit, purchasing food, purchasing personal and professional services, or any use as stated in Section 100.3. Purchasing cards shall only be used by the employee to whom the card was issued. Cards shall not be loaned. Any misuse found by the Auditor will result in the employee forfeiting the use of the card and its immediate return to the Auditor.

ADDENDUM TO STATE OF CALIFORNIA PURCHASE CARD PROGRAM  
MASTER SERVICES AGREEMENT (DGS MSA 5-06-99-01)

This Addendum ("**Addendum**") to the State of California Purchase Card Program Master Services Agreement (DGS MSA 5-06-99-01) (the "**Agreement**") between the Department of General Services ("**DGS**") on behalf of the State of California, and U.S. Bank National Association ND ("**U.S. Bank**"), is made this 22 day of May, 2007, by the County of Mariposa ("**Participating Agency**") for the purpose of becoming a "Participating Agency" as that term is defined in the Agreement. The Master Services Agreement DGS MSA 5-06-99-01 and its amendments are incorporated by reference and made a part of this Addendum.

RECITALS:

- A. DGS has entered into the Agreement for the purpose of making available for Participating Agency's use a purchase card program as described in the Agreement; and
- B. The Agreement contemplates the inclusion of Participating Agencies by a process of voluntary execution of an addendum; and
- C. The Participating Agency has received a copy of the Agreement and after thorough review of the Agreement desires to become Participating Agency as that term is defined in the Agreement.

AGREEMENT:

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by reference, the mutual promises and covenants set forth in the Agreement, which is incorporated herein by reference, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Participating Agency, and U.S. Bank agree as follows:

1. The Participating Agency agrees to accept and perform all duties, responsibilities and obligations required of Participating Agency as set forth in the Agreement. CAL-Cards shall be issued to employees of the Participating Agency upon execution of this Addendum by the Participating Agency and U.S. Bank. U.S. Bank shall submit invoice(s) to the Participating Agency at the address indicated herein.
2. U.S. Bank is authorized to place the seal or logo of the Participating Agency on the CAL-Cards issued to employees of the Participating Agency for the sole purpose of identifying the card for official use only. Such seal or logo shall be subject to use limitations as apply to the State seal on Page 3 of the Agreement.
3. The Participating Agency shall make monthly payments as provided in the Agreement to U.S. Bank of the full amount of the official monthly invoice by causing a check or checks or a warrant or warrants to be issued payable to the order of U.S. Bank on demand or by use of an Automated Clearing House or Electronic Data Interchange to make such payment to U.S. Bank.
4. The Participating Agency shall provide U.S. Bank with a copy of its audited financial statements within sixty (60) days of completion and, upon request of U.S. Bank, such other financial information as may be reasonably requested.
5. Either party may terminate this Addendum at any time by giving a thirty (30) days written notice to the other party, whether or not such other party is in default.
6. The Participating Agency declares that CAL-Cards shall be used for official Participating Agency purchases only, and shall not be used for individual or consumer purchases nor to incur consumer debt. The Participating Agency warrants that it possesses the financial capacity to perform all of its obligations under the Agreement and this Addendum and the Participating Agency will not allow purchases to be made with CAL-Cards or incur any other financial obligation hereunder or under the Agreement prior to determining that existing appropriations available therefore are sufficient in amount to pay for such purchases or such other financial obligations.

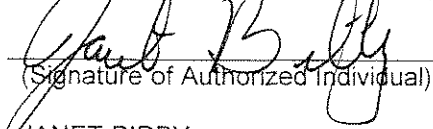
7. The contact notice address for the Participant is:

Program Manager Name	Christopher Ebie
Participating Agency Name	County of Mariposa
Mailing Address	P.O. Box 729
City, State, Zip	Mariposa, CA 95338
Email Address	cebie@mariposacounty.org

8. The agreements of the Participating Agency set forth in this Addendum and the Agreement constitute valid, binding and enforceable agreements of the Participating Agency and all extensions of credit made pursuant to this Addendum and the Agreement to the Participating Agency will be valid and enforceable obligations of the Participating Agency in accordance with the terms of the Agreement and this Addendum. The execution of this Addendum and the performance of the obligations hereunder and under the Agreement are within the powers of the Participating Agency, have been authorized by all necessary action and do not constitute a breach of any agreement to which the Participating Agency is a party or is bound. The signer of this Addendum further represents and warrants that he or she is duly authorized by an applicable constitution, charter, code, law resolution or other governmental authority to enter into transactions of this nature. Participating Agency represents and warrants that this transaction is within the scope of the normal course of business and does not require further authorization for Participating Agency to be duly bound by this Addendum. This Addendum requires approval as to form by the Attorney for the Participating Agency. If this Addendum is not approved as to form by the Attorney for Participating Agency, the completion of the attached Certificate of Authority is required and must accompany this Addendum.

COUNTY OF MARIPOSA

Legal Name of Participating Agency



(Signature of Authorized Individual)

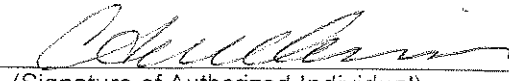
JANET BIBBY

(Printed Name of Authorized Individual)

CHAIR, BOARD OF SUPERVISORS

(Printed Title of Authorized Individual)

U.S. Bank National Association ND



(Signature of Authorized Individual)

Charles L. Wilkins

(Printed Name of Authorized Individual)

Vice President

(Printed Title of Authorized Individual)

Approved as to form:



(Signature of Attorney for Participating Agency)

THOMAS P. GUARINO

(Printed Name of Attorney)