

## DEBIT CARD POLICY Revised 4/24/13

### 1. PURPOSE

The purpose of this policy is to establish rules and procedures for the purchases of specified goods and services by County officers and employees using a county debit card. The use of debit cards enhances the efficient operation of County government, but policies regarding the issuance and use of credit cards are necessary to protect the County's financial interests. The authority to establish the debit card policy is with the Tuscola County Board of Commissioners under the guidelines set by the State of Michigan in P.A. 266 of 1995. Day-to-day administration of the policy shall be the responsibility of department heads.

### 2. POLICY

2.1 The Chief Accountant in the Controller/Administrator's Office through the Controller/Administrator is authorized to secure the issuance of debit cards for use by selected County officers and employees, but the credit line per card shall not exceed \$750 except for the Board of Commissioners or when there are multiple users of one card in which case the debit card limit per card shall not exceed \$3,000.

2.2 Daily administration of debit card policies, including accounting, monitoring, and procedures is the responsibility of elected and appointed department heads. The policies shall include at a minimum:

2.2.1 An up-to-date list of all Tuscola County employees with authorized debit cards shall be maintained at Northstar Bank and the Controller/Administrator's Office.

2.2.2 Department heads are responsible for obtaining debit cards from employees who are discontinuing employment with the County and are to submit them to the Chief Accountant.

2.2.3 Requests for new employees to receive debit cards shall be made in writing from respective department heads to the Chief Accountant.

2.2.4 It is the responsibility of respective departments to reconcile debit card expenditures with bank statements and employee receipts. **Employees are required to submit a detailed, itemized receipt for all debit card expenditures, including a breakdown of all purchases at dining establishments.**

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The Chief Accountant will send a statement of debit card expenditures directly to respective department heads.

- 2.2.5 After department heads reconcile debit card expenditures and sign the invoices for payment with identification of account numbers to be charged, invoices and corresponding documentation (detailed, itemized receipts, etc.) can then be submitted to the Controller/Administrator's Office for payment.

If a department head or the cardholder determines that the card was used in error (ie: non-county business) or detailed, itemized receipts are not supplied, then the cardholder is to remit the payment to the County immediately.

Upon receiving signed bank invoices, the Controller/Administrator's Office is authorized to make immediate payment and charge respective departmental budgets, without County Board action. It is vital that elected officials and department heads promptly process payment requests in order to prevent incurring interest charges.

- 2.2.6 If a debit card is lost or stolen, it is the responsibility of the elected official, department head, or employee to immediately notify the Chief Accountant in the Controller/Administrator's Office so appropriate protective action can be taken.
- 2.2.7 Debit card charges shall not exceed the authorized budget for respective department line item accounts.
- 2.2.8 Elected officials and department heads are responsible to explain to each employee using the card that they will be subject to disciplinary measures, including discharge, consistent with the law for the unauthorized use of a County debit card including, but not limited to: personal expenditures, purchase of alcohol, cash advances, or items that are exempt from County funding.
- 2.2.9 It shall be the cardholder's responsibility to present verification of County tax exemption status for all in-state purchases and lodging charges in order to capitalize on this savings to the County.
- 2.2.10 For a list of unauthorized expenditures, please see section 3 of the Claims Processing Procedure Policy.