

Approved: January 20, 2026

Resolution No. 26-355

1. **PURPOSE:** Establish a policy to define, authorize and regulate the use of a County-issued credit card; to establish procedures for utilizing the credit card for appropriate expenses in the conduct of official County business; to assign the responsibility for protection, custody and proper use of a credit card.

2. **AUTHORITY:**
 - 2.1 Authority to establish rules and regulations in reference to the management of the interest and business concerns of the county is vested with the Gratiot County Board of Commissioners (MCL 46.11(m)).
 - 2.2 The powers and duties associated with the use of credit cards by officers and employees of Gratiot County are subject to provisions of the Michigan Credit Card Transactions Act (MCL 129.241 *et seq.*).

3. **APPLICATION:** This policy applies to all County elected officials, department heads and employees and to all credit cards issued.

4. **RESPONSIBILITY:** The County Administrator is responsible for the issuance of the credit card(s) for all work units and the accounting, monitoring, retrieval and general overview of this Credit Card Policy.

5. **DEFINITIONS:**
 - 5.1 “Administrator” means the Gratiot County Administrator or designee.
 - 5.2 “Cardholder” means an employee who is approved by his/her department head to use the credit card for execution of purchase transactions on behalf of County. Cardholders are responsible for all payments and recordkeeping for their respective departments.
 - 5.3 “Employee” shall refer to all County elected officials, department heads, and employees.
 - 5.4 “Vendor” is the merchant from whom a cardholder is making a purchase.

6. POLICY:

6.1 Issuance and Retirement of Credit Cards

- 6.1.1 Requests for new cards shall be submitted to the Administrator.
- 6.1.2 Credit cards issued shall not exceed one card per county department and court unit. Exceptions must have documented approval from the Administrator.
- 6.1.3 The cardholder must be an official or employee of the County.
- 6.1.4 The cardholder's name will be embossed on the card.
- 6.1.5 The authorized credit limit for each credit card issued by the County shall not exceed \$2,500 unless a higher limit has been approved in writing by the Administrator.
- 6.1.6 To manage the inherent risk associated with credit card use, the Administrator shall regularly review the credit cards in circulation and the necessity for each card. The Administrator may remove authorization for any credit card deemed unnecessary or duplicative. The Administrator shall weigh the business need for the credit card, frequency of use, and the availability of other procurement mechanisms.

6.2 Allowable Uses

- 6.2.1 Credit cards shall be used only for the purchase of goods and services related to the official business of the County.
- 6.2.2 Credit cards may not be used for cash advances, personal goods and services, entertainment, alcohol, tobacco products, or travel not related to County business; and no cash refunds shall be tolerated.
- 6.2.3 Cardholders are responsible and accountable for adherence to the established purchase limits set for their card.
- 6.2.4 Purchasing rules established in the Gratiot County Purchasing Policy (Policy No. 2106) shall apply to all credit card transactions.
- 6.2.5 Purchases may not be divided into several transactions to avoid compliance with this Policy and/or the Purchasing Policy.
- 6.2.6 Rewards earned using County credit cards are property of Gratiot County and will be redeemed for purposes outlined by the Board of Commissioners.

- 6.3 Acknowledgement and Authorization Form: An employee to whom a card is assigned is responsible for security of the credit card including its custody and proper usage, and for compliance with this and all other applicable policies and procedures of the County. The cardholder shall sign a Gratiot County Cardholder Agreement form.
- 6.4 Purchasing and Approval Procedures: Receipts that detail the goods or services purchased, total cost, and purchase date must be obtained for all credit card purchases.
- 6.4.1 Cardholders shall be responsible for notifying vendors that purchases made on behalf of the County are tax-exempt. A tax-exempt verification letter will be provided upon request.
- 6.4.2 Cardholders shall obtain a detailed register receipt for over-the-counter purchases. For telephone orders, cardholders shall request that a purchase receipt be emailed, faxed or post mailed with the item shipped to the ordering cardholder's attention. For online orders, a printed copy of completed order form showing the order acknowledgement from the vendor shall serve as the purchase receipt.
- 6.4.3 Cardholders must provide vendors with the appropriate shipping information. All goods must be billed and shipped to an official Gratiot County business address.
- 6.4.4 Cardholders are responsible for contacting vendors when merchandise purchased with the credit card is not acceptable (incorrect, damaged, defective, etc.) and arranging a return for credit or an exchange.
- 6.4.5 Should a statement not correlate with receipts, the items ordered amount is incorrect, if there is a quality issue, or if the order was not made by the cardholder, the cardholder shall be responsible for immediately reporting these issues to the department head and the County Administrator. Cardholders and the County Administrator shall investigate any disputed charge immediately and complete the disputed charges form as necessary.
- 6.4.6 Cardholders are responsible for coordinating return of goods with the vendor. If merchandise is returned for credit, the cardholder is responsible for obtaining a credit receipt from the vendor, retaining that receipt with the documentation for that purchase, and shall notify the department head and the County Administrator. ***Receiving cash or checks to resolve a credit is prohibited.***
- 6.4.7 Credit card purchases shall be made in accordance with the Gratiot County Purchasing Policy (Policy 2106).
- 6.4.8 Expenditures related to business travel and/or meals are subject to rules established in the County Travel Policy (Policy 2207). Cardholders shall complete an approved business expense report showing the purpose of each expenditure along with corresponding original itemized receipts.
- 6.4.9 All credit card billing statements will be received directly by the Financial Services Department.

6.4.10 Financial Services staff will scan and email billing statements to the applicable cardholder.

6.4.11 Cardholders will have five (5) business days to upload the bill in the Accounts Payable system, approved as required by the Gratiot County Business Operating Procedures Manual, and send detailed receipts to the Financial Services Department to ensure timely payments and no late fees.

6.4.12 Failure to meet the five (5) day deadline that causes payment to be untimely and that results in the accruing of late fees may result in the loss of credit card authorization and privileges.

6.5 Unauthorized or Improper Use: Any employee who engages in unauthorized or improper use of a County credit card will be subject to disciplinary measures, up to and including discharge, and may be subject to civil/criminal prosecution consistent with applicable laws. An employee found to have inappropriately used a credit card will be required to reimburse the County for all costs associated with such improper use including any interest charged on such purchases by the credit card company.

6.6 Credit Card Protection: Cardholders are responsible for the protection and custody of the credit card and shall immediately notify the County Administrator if the credit card is lost or stolen. Cardholders are responsible for safeguarding the account number.

6.7 Cardholder Termination. The Administrator is authorized to close an account if a cardholder:

6.7.1 Moves to a new job in which a credit card is not required.

6.7.2 Terminates employment.

6.7.3 Any of the following reasons which will also subject cardholder to disciplinary action and termination for cause:

- a. The credit card is used for personal or unauthorized purposes.
- b. The credit card is used to purchase any substance, material, or service, which violates policy, law, or regulation pertaining to Gratiot County.
- c. The cardholder allows the card to be used by another individual.
- d. The cardholder splits a purchase to circumvent dollar limitations of Gratiot County purchasing policies.
- e. The cardholder uses another cardholder's card to circumvent dollar limitations of Gratiot County purchasing policies.
- f. The cardholder fails to provide required receipts.
- g. The cardholder fails to provide, when requested, information about any specific purchase.
- h. The cardholder does not adhere to all credit card and purchasing policies.
- i. The cardholder fails to review monthly statements.

7. **ADMINISTRATIVE PROCEDURES**: The County Administrator shall be responsible for the development, revision, and implementation of any associated administrative procedures not already stated in this policy.

8. **ADMINISTRATOR AND LEGAL COUNSEL REVIEW**: The County Administrator shall approve all new and amended policies as to substance. County Counsel shall approve all new and amended policies as to legal content. These approvals shall accompany draft policies and amended policies submitted to the Board of Commissioners for consideration.