

Grant County Personnel Policy

512.5 County Electronic Payments

512.5.1 Specifics: Grant County authorizes and provides for certain electronic payments to be made and/or accepted by County employees to improve cash management, reduce costs, and increase efficiency for conducting County business. This includes the County's Credit Card Program pursuant to RCW 43.09.2855, the County's acceptance of electronic payments pursuant to RCW 36.29.190, and internal policies contained herein to further control and manage County resources effectively. This policy is separated into the following categories:

- County Credit Card Program (Sect. 512.5.2)
- Acceptance of Electronic Payments by the County (Sect. 512.5.3); and
- Creation/Issuance of Pre-Paid Cards (Sect. 512.5.4).

512.5.2 County Credit Card Program

a. Definitions

1. Credit card – For the purpose of Section 512.5.2 of this policy, “credit card” refers to a credit card issued by the Accounting Department to a department for use by an Elected Official (EO), Department Head (DH), and/or County employee to improve cash management, reduce costs, and increase efficiency for conducting County business.
2. Cardholder – means an EO/DH or County employee who is in possession of a County credit card.

b. Issuance, Distribution, and Limitations

1. Credit cards will be issued in the name of the department.
2. The number of allowed department credit cards will be determined by the Accounting Department and will depend on the department's spending needs.
3. Credit limits will be set by the Board of County Commissioners and may vary between departments.
4. Points are accumulated on County credit card purchases that may be used to procure various goods (such as flat screen TVs). The Grant County Auditor will advise the Board of County Commissioners to help determine priorities/needs for which County office/department is next in line for exchanging County-earned points to procure work-related merchandise.

c. Department Responsibilities & Accountability

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1. Each EO/DH will be responsible for establishing a process through which their department will track the physical location(s) of their credit card(s). When not in use, cards must be kept in a secure location with limited access. When in use, departments must track: (a) the credit card number; (b) the Cardholder; (c) and date(s) of possession. Tracking records shall be maintained for one (1) year after the date of use or pursuant to Washington State records retention guidelines.
2. An EO/DH is not required to provide employees with use of a credit card.
3. An EO/DH may determine whether it is reasonable to allow Cardholders to maintain credit cards for multiple days at a time. To allow for proper auditing, each individual credit card should not be used by more than one person in a single calendar day.
4. Departments will be required to pay for fraudulent charges on their credit cards. The Auditor's Office will work with departments to dispute fraudulent charges. If the charge is successfully disputed and a credit is issued, the department will receive the credit. Departments will be required to pay for any unallowable charges. Departments must immediately collect reimbursement for any charges that are unallowable per County policy, despite the reason for the charge. The department will then deposit the recuperated funds with the County Treasurer and will credit whichever expense account was originally debited for the expense. As a last resort, Grant County shall have a prior lien against, and right to withhold, any and all funds payable or to become payable to the Cardholder up to an amount of the unallowable charge and interest at the same rate as is charged by the issuing bank.
5. Departments are responsible for submitting, to the Accounts Payable Clerk in the Auditor's Office, a completed accounts payable batch (including all statements and supporting receipts) by the deadline provided by the Auditor's Office.
 - i. The department will be responsible for any and all late fees assessed as a result of their payables batch being submitted after the deadline. Interest on late payments is calculated against the credit balance for the entire County at the time the payment becomes delinquent.
6. EOs/DHs, and/or employees who are allowed to use a County credit card are required to review and sign a

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Credit Card User Agreement before they may take possession of a County credit card, attesting to their having read and understood the conditions set forth. These forms are provided by the Accounting Department, must be maintained by the department, and kept with the system used to track the location of the credit card(s). Credit Card User Agreements shall be maintained for all current employees who may take possession of a County credit card.

d. Cardholder Responsibility & Accountability

1. Cardholders are authorized to use the credit card to procure merchandise or services required as a function of their duties on behalf of Grant County. Credit card usage is governed by Grant County's Policy 1200, Travel, Training & Expense Reimbursement, Sect. 1202. Unauthorized and/or inappropriate card use is prohibited and addressed in Section 512.5.2(g) of this policy.
2. A purchase made with a credit card may be made over the counter, the Internet, or by telephone. The Cardholder must obtain and return original itemized receipts for goods and services purchased. All forms of canceled checks and copies of credit card bills do not substitute for original receipts. The Cardholder may be allowed to file an affidavit in lieu of a receipt if the original receipt is lost or a receipt is not obtained.
3. Should a Cardholder lose or have a credit card stolen, it is the responsibility of the Cardholder to immediately notify the Accounting Department and the EO/DH (within one business day) after discovery of the loss or theft of the card.
4. Credit cards may be used to purchase meals if the meals are purchased in the event of an emergency or if the meals are for a group meal for extended field operations, authorized training on site (County owned or operated facility) or other purposes with the pre-authorization of the Board of the County Commissioners.
5. These purchases will require receipts, and must be approved by the EOH/DH. The reason of the meal (e.g., "Attendance required at a lunchtime meeting with presentations to County boards") and a list naming all individuals for which a meal was provided by the expense shall be submitted with the receipt. The expense shall not exceed the appropriate per diem rates, per person, for the meal, excluding incidentals.

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6. Violations of this policy may result in a County issued credit card being revoked.
- e. Auditor's Responsibility & Accountability
 1. The Auditor's office is responsible for keeping a current list of active credit cards, which is to include the credit card numbers, and limits.
 2. The Auditor's office may, at any time, require access to the department's credit card(s), the tracking method used to document the location of credit cards, and the user agreements.
- f. Credit Card Revocation
 1. The department/Cardholder must surrender the credit card – which may be revoked – to the County Auditor or Chief Accountant for any of the following:
 - i. If the credit card is used in a manner which is inconsistent with this policy and/or any County or department policies and procedures;
 - ii. If the EO/DH resigns, is not re-elected, is transferred, or otherwise terminates employment with Grant County, the department credit card(s) will be returned to the Accounting Department for audit.
 - iii. The County Auditor, Chief Accountant, and/or Board of County Commissioners can determine it is in the County's best interest to revoke credit card use privileges for any reason.
- g. Unallowable Card Use
 1. Use of County credit cards to purchase items for personal use or for non-County purposes, even if the Cardholder intends to reimburse the County, is strictly prohibited and can and will be considered misappropriation of County funds and may result in disciplinary action, which is addressed in Section 512.5.2(h) of this policy.
 2. Unallowable credit card use includes, but is not limited to:
 - i. Items for personal use;
 - ii. Items for non-County purposes;
 - iii. Alcoholic beverages;
 - iv. Weapons of any kind or explosives (except for authorized Sheriff's Office purchases);
 - v. Relocation expenses;
 - vi. Entertainment;
 - vii. Recreation;

Additionally:

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- i. Credit cards shall not be used to obtain cash advances or other expenses that are not allowed as established by state statutes and County purchasing policies and/or procedures;
 - ii. In order to help ensure compliance with IRS 1099 reporting requirements, the credit card shall not be used to pay non-corporate entities for personal or professional services;
 - iii. A purchase should not be made with a credit card unless it is the most productive purchasing method. Credit cards should not be used to replace planning. The County promotes progressive, productive work methods.
- h. Disciplinary Action for Violation of Section 512.5.2
1. A Cardholder who makes an unauthorized purchase with a credit card or uses the card in an inappropriate manner as set forth in Section 512.5.2(g) above will be subject to:
 - i. Revocation of the credit card; and/or
 - ii. Restriction from use of the department credit card; and/or
 - iii. Disciplinary action up to, and including, termination of employment; and/or
 - iv. Restitution to Grant County for unauthorized purchases; and/or
 - v. Criminal prosecution.

512.5.3

Acceptance of Electronic Payments by the County

a. Definitions

1. Payment card – For the purpose of Section 512.5.3 of this policy, Acceptance of Electronic Payments by the County, “payment card”, “credit card”, “debit card” or “card” refers to any card utilized by an individual, group, company, entity, etc. to make payment to a Grant County office or department that is authorized and set up to accept such payment(s) to improve cash management, reduce costs, and increase efficiency.
2. Payment Card Industry Data Security Standard (PCI DSS) – A standard created to increase controls around cardholder data to reduce credit card fraud *via* its exposure. Validation of compliance is conducted on an annual basis by an external Qualified Security Assessor that creates a Report on Compliance for organizations handling large volumes of transactions, or by Self-Assessment Questionnaires for companies handling smaller volumes.

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3. County Card Reading Device – Equipment used for the purpose of taking or making payments for County services, etc. *via* debit or credit cards – or any other type of payment card – that is to only access the Public Internet, either wired or wireless, and not be attached or connected to the County’s secure internal network.
- b. Authorization of Card Reading Devices
1. Strict regulations exist for the creation and additional level of protection for card issuers by ensuring that merchants meet minimum levels of security when they store, process, and transmit cardholder data through the Payment Card Industry Data Security Standard (PCI DSS). While Grant County is not a “merchant”, its offices/departments that are using card reading devices to accept payments from individuals are strictly prohibited from using a card reading device that will store, process, or transmit cardholder data *through or using the County’s server (internal network infrastructure or equipment)*.
 2. The only acceptable internal credit or debit card transaction devices for County business are those which only access the Public Internet, either wired or wireless, and are not attached or connected to the County’s secure internal network. Users are hereby advised that the County in no way guarantees the security of any such external network.
 3. Any office/department using or seeking to use an office card reading device to conduct County business must do so through the expertise and instruction of Grant County Technology Services to ensure that Grant County’s entire network is not subject to PCI DSS requirements, validations, and audits for same.
 4. For the purpose of this policy, any EO/DH or employee’s failure to abide by this policy’s Section 312.5.3, Acceptance of Electronic Payments by the County, and/or the recommendations of Grant County Technology Services for internal credit or debit card transaction devices, will be considered an unauthorized and/or inappropriate card use and may result in disciplinary action, as set forth in Section 512.5.3(e) of this policy.
- c. Responsibilities/Accountability & Fee Payments
1. Any County office/department accepting electronic payments on behalf of the County will utilize appropriate financial record-keeping methods/accounts payable

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practices. Questions as to which methods/practices are acceptable should be directed to the Chief Accountant.

2. The handling of card fee payments for electronic purchases made by the public to the County will differ from one office/department to another, paid in accordance with RCW 36.39.190.

d. Credit Cards Grant County Does Not Accept

1. Grant County does not accept the following credit cards due to exorbitant fee payment rates/percentages:

- i. American Express

e. Disciplinary Action for Violation of Section 512.5.3

1. Any EO/DH and/or employee who utilizes a County card reading device that does not meet the above requirements of only accessing the Public Internet, either wired or wireless, has engaged in unauthorized use(s) of the County's network and servers and violated Section 512.5.3 of this policy, which may result in disciplinary action, up to and including termination of employment, as well as civil and/or criminal liability.

512.5.4 Creation/Issuance of Pre-Paid Cards

a. Definitions

1. Gift Card – For the purpose of Section 512.5.4 of this policy, “gift card” refers to any pre-paid card that is purchased for the purpose of necessary County program implementation.
2. County Office/Department Issued Pre-Paid Card – For the purpose of Section 512.5.4 of this policy, Creation/Issuance of Pre-Paid Cards, “debit card” or “card” refers to any payment card created/activated by a County office or department and issued to an individual with a dollar amount equal to that which is owing to that individual, such as the balance of an inmate account upon release from custody.
3. Payment Card Industry Data Security Standard (PCI DSS) – A standard created to increase controls around cardholder data to reduce credit card fraud *via* its exposure. Validation of compliance is conducted on an annual basis by an external Qualified Security Assessor that creates a Report on Compliance for organizations handling large volumes of transactions, or by Self-Assessment Questionnaires for companies handling smaller volumes.

b. Gift Card Limitations for County Program Implementation

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1. Due to auditing concerns stemming from the inability to ensure appropriate purchases are being made, Grant County generally does not permit the purchase and/or distribution of gift cards to individuals for County programs.
 2. Any County office/department requiring gift card purchases/issuance must receive prior written approval from the County Auditor, Chief Accountant, and/or Board of County Commissioners and create and implement written, internal controls for gift card procurement, storage, and issuance (utilizing appropriate financial record-keeping methods/accounts payable practices) and provide a copy of same to the Chief Accountant.
 3. Questions as to which methods/practices are acceptable should be directed to the Chief Accountant.
- c. Authorization for Creation/Issuance of Pre-Paid Cards
1. Pre-paid cards will be activated and issued by the County in limited instances, such as those in which an inmate who is being released from custody is provided with a pre-paid card with a dollar amount equal to his/her inmate account balance. Questions regarding pre-paid cards should be directed to the Chief Accountant.
 2. Any County office/department desiring to issue pre-paid cards must receive prior written approval from the County Auditor, Chief Accountant, and/or Board of County Commissioners and create and implement written, internal controls for card use and responsibilities, providing a copy of same to the Chief Accountant.
 3. Strict regulations exist for the creation and additional level of protection for card issuers by ensuring that merchants meet minimum levels of security when they store, process, and transmit cardholder data through the Payment Card Industry Data Security Standard (PCI DSS). While Grant County is not a “merchant”, its offices/departments that are creating pre-paid cards for individuals are strictly prohibited from doing so *through or using the County’s server (internal network infrastructure or equipment)*.
 4. The only acceptable method in which to create a pre-paid card for the purposes described in paragraph 512.5.4(a)(2) above are those methods which only access the Public Internet, either wired or wireless, and are not attached or connected to the County’s secure internal

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network. Users are hereby advised that the County in no way guarantees the security of any such external network.

5. Any office/department creating or seeking to create a pre-paid card for the purposes described in paragraph 512.5.4(a)(2) above must do so through the expertise and instruction of Grant County Technology Services to ensure that Grant County's entire network is not subject to PCI DSS requirements, validations, and audits for same.
 6. For the purpose of this policy, any Elected Official, Department Head, or employee's failure to abide by this policy's Section 512.5.4, Creation/Issuance of Pre-Paid Cards, and/or the recommendations of Grant County Technology Services for the creation of a pre-paid card for the purposes described in paragraph 512.5.4(a)(2) above will be considered an unauthorized and/or inappropriate card use and may result in disciplinary action, as set forth in paragraph 512.5.4(e) of this policy.
- d. Unauthorized and/or Inappropriate Pre-Paid Card Creation/Use
1. Any County office/department or employee that is creating, activating, issuing, or using a pre-paid card without having met the requirements of paragraphs 512.5.4(c)(1) through (6) hereinabove has engaged in unauthorized and/or inappropriate pre-paid card use.
 2. EOs/DHs and/or employees are strictly prohibited from loaning, giving, or using a pre-paid gift card for any purpose other than that set forth in the written approval request.
- e. Disciplinary Action for Violation of Section 512.5.4
1. Any EOs/DHs and/or employee who:
 - i. creates or authorizes the creation of a pre-paid card to an individual due money from the County that does **not** meet the above requirements of only accessing the Public Internet, either wired or wireless has engaged in unauthorized use(s) of the County's network and servers and violated Section 512.5.4 of this policy; and/or
 - ii. Has created, activated, issued, or used a pre-paid or gift card in an unauthorized and/or inappropriate manner as set forth hereinabove, either of which may result in disciplinary action, up to and including termination of employment, as well as civil and/or criminal liability.