

A RESOLUTION ADOPTING THE MERCHANT/VENDOR ISSUED CREDIT POLICY

WASHTENAW COUNTY BOARD OF COMMISSIONERS

November 7, 2012

WHEREAS, 1995 PA 266 authorizes the use of credit cards for the purchase of goods and services by County officers and employees; and

WHEREAS, Resolution 98-0094 was adopted by the Board of Commissioners on May 6, 1998, that approved the issuance and use of credit cards by authorized County employees; and

WHEREAS, Credit is also available through the use of merchant / vendor issued credit as another means to facilitate purchases of goods by authorized County employees; and

WHEREAS, utilization of merchant / vendor issued credit by County departments as a means for conducting business has become a more commonly used method of purchase; and

WHEREAS, the use of this type of credit is many times necessitated by the merchant or vendor, who requires a line of credit be established, rather than accepting a purchase order; and

WHEREAS, the increase utilization has identified the need for a policy around this type of credit to ensure effective internal controls and procedures are in place.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners adopt the Merchant/Vendor Issued Credit Policy as attached hereto and made a part hereof.

|  |                      |             |                 |         |       |
|--|----------------------|-------------|-----------------|---------|-------|
|  Washtenaw County |                      | Policy      |                 |         |       |
| Title: Merchant/Vendor Issued Credit   | Enabling Resolution: | Supercedes: | Effective Date: | Page: 1 | Of: 1 |

I. APPLICATION:

This policy shall govern the issuance and use of vendor/merchant issued credit to selected County Officers and Employees.

II. GENERAL POLICIES:

- A. The Elected Official/Department Head shall be responsible for their Department's use of merchant/vendor issued credit, and for ensuring compliance with all County Policies and Procedures. The Elected Official/Department Head shall have the right to delegate daily duties associated with this policy. Each Department shall be responsible for managing its cardholder accounts. The Elected Official / Department Head or his/her designee shall be responsible for ensuring that the use of the merchant/vendor issue credit is in compliance with all County Policies and Procedures, That payments are made utilizing the accounts payable system and submitted to finance with appropriate documentation, for obtaining purchase documentation from the merchant to support all purchases made with the vendor/merchant issued credit, reconciling purchases with monthly statements, making payments and submitting to the Finance Department within the required timeframe.
- B. As designated by the County Administrator, the Finance Director must approve all applications for credit from merchants or vendors. Merchant/vendor issued credit may be used only by an authorized officer or employee of the County for the purchase of approved goods, as outlined within the procedures, for the official business of Washtenaw County.
- C. The officer or employee accountable for the line of credit is responsible for its protection and custody, and shall immediately notify the County if they believe it has been compromised.
- D. The officer or employee accountable for the line of credit shall relinquish authority upon their termination of his or her employment or service in office with the County.
- E. The officer or employee will be subject to disciplinary measures, including discharge, consistent with the law for the unauthorized use of a County line of credit.