



State of California COUNTY OF NEVADA

MARCIA L. SALTER – Auditor-Controller

Auditor-Controller
950 Maidu Avenue
Nevada City CA 95959

(530) 265-1244
Fax: (530) 265-9843
Email: auditor.controller@co.nevada.ca.us

NEVADA COUNTY BOARD OF SUPERVISORS Board Agenda Memo

DATE OF MEETING: July 9, 2019

TO: Board of Supervisors

FROM: Marcia Salter, Auditor-Controller

SUBJECT: Resolution Amending the Nevada County Commercial Credit Card Policy

RECOMMENDATION: Approve the attached Resolution.

FUNDING: Not applicable.

BACKGROUND: In April 2000, the County launched a pilot credit card procurement program that was fully implemented by March 2001 according to Board resolution 01-110. In July of 2012, the Board approved an amendment to the program in resolution 12-334. The program has been successfully operating since that time. Our partner, Bank of America has proven to be an excellent choice providing software tools to manage and monitor the cards activity and as a leader in fraud detection and prevention.

Through the Board adopted policy, the Purchasing Agent has delegated limited purchasing authority to the departments and their employee cardholders. The use of the credit card has greatly reduced the need for countless purchase orders for small purchases and reduced the related payment transactions processed through the Auditor-Controller's office. The assigned cardholders may use for employee business related travel expenses as authorized in the County Personnel Code. The Auditor-Controller administers the program from working with the department assigned credit card custodians, approving and tracking the cards, coordinating and processing the monthly payment, monitoring the activity and auditing the purchases for compliance with the County's policies.

The Auditor-Controller has collaborated with the purchasing agent in the use of the cards and administration of the program. We support the recent changes to the Purchasing policy, and present for your approval the necessary update the Commercial Credit Card Policy to insure

alignment. Since Purchasing Agent has revised the delegated purchasing authority to the departments for direct purchases and their employee cardholders from \$2,500 to \$4,000, it is important that the Credit Card Policy reflect this increase as well. Additionally, this may increase the standard credit card limits to accommodate the increased direct pay amount.

In addition, the Auditor-Controller and Purchasing Agent have collaborated on other special uses for the Commercial Credit Cards to again improve processing and create efficiencies for both areas. Some examples are using a dedicated card for Energy Services ISF to pay the electric bills or the possibility of creating a specific use card for Information Technology purchases of computers and equipment on behalf of departments. In each of these examples, both the Purchasing Department and Auditor-Controller's office will benefit from the streamlined process.

The County credit card program was instituted with the goal of increasing efficiencies and streamlining the purchasing process while maintaining the necessary controls and oversight. The program has successfully met that objective for the past eighteen years. The attached policy furthers that goal by incorporating the recommendations discussed above. Additional updates to the policy have been included to coincide with current terminology and practices. I ask that you approve the amended Commercial Credit Card Policy.

Thank you for your consideration of this item

Item Initiated by: Donna Somers

Approved by: Marcia Salter