

**MARIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (MCERA)
CREDIT CARD POLICY**

Adopted: March 14, 2018
Amended: October 14, 2020

It is the policy of Marin County Employees' Retirement Association (MCERA) to account for the proper usage of MCERA credit cards for purposes of conducting MCERA business. The MCERA Retirement Administrator shall be responsible for the issuance, accounting, monitoring, and retrieval of all credit cards issued to MCERA, and in general for overseeing compliance with this policy.

1. PURPOSE

There is a need to establish a clear, accountable and enforceable MCERA Credit Card Policy. The purpose of this policy is to set guidelines for the use of credit cards issued to MCERA staff. In addition, the relevant cardholder's responsibility statement issued by the financial institution (i.e. Bank of America) and the cardholder's agreement govern the use of the MCERA credit card. The MCERA credit card purchasing option will significantly reduce the costs associated with low dollar purchases; the time involved in making low dollar purchases; and the amount of paperwork needed to make low dollar purchases, requisitions and purchase orders processed.

2. SCOPE

This credit card policy is intended to provide clarity and understanding of the legal framework (statutes, Board policies and other applicable rules and regulations) for MCERA credit card acquisition, usage and oversight, as follows.

- a. Any MCERA employee responsible for making credit card purchases using MCERA funds must comply with this credit card policy.
- b. The credit card policy included herein applies to all MCERA employees.
- c. This MCERA credit card policy will be used to establish uniform policy governing all MCERA credit card expenditure of funds.

3. STANDARD

a. Background

MCERA has chosen to document its Credit Card program for credit card use by authorized MCERA staff. MCERA has issued this MCERA credit card policy and procedure to guide the users of the MCERA credit card.

This document contains policies and procedures to be followed by MCERA employees whose duties require them to perform MCERA credit card transactions. The contents of this document are applicable to all MCERA staff performing duties as part of their role at

MCERA.

Staff who are involved in MCERA credit card transactions should be familiar with this policy and procedure. This document should be readily available to MCERA employees as a reference in carrying out their day-to-day usage of the MCERA credit card and in training new MCERA employees with credit card transaction roles.

b. Accountability

The MCERA credit card is to be used for official MCERA business only, and may not be used for personal purchases.

MCERA credit cards may be issued to three authorized employees of MCERA: Clerk of the Board of Retirement, Senior Accounting Assistant, and Retirement Administrator. Cardholders are responsible for the physical security of the card, the credit card number, and all charges appearing on the monthly statement of the card provided by MCERA under their name. Although no other individual may use the card or be provided with the credit card number, another person may pick up merchandise ordered by the cardholder.

The MCERA credit card is issued to a Cardholder for use by the person, on behalf of MCERA, only. Generic cards cannot be issued. The MCERA credit card must be used only by the Cardholder of official MCERA business only. No other MCERA employee, family member, supervisor, or person may use the card.

c. Prohibited MCERA Credit Card Purchases

Prohibited credit card purchases include, but are not limited to, the following transactions. Exceptions may only be granted by the Retirement Administrator in writing. If the Retirement Administrator seeks an exception to this policy, it may be granted in writing only by the Chair of the Board of Retirement.

- Reprographic services;
- Capital assets;
- Professional services;
- Wire transfer, money order;
- Direct marketing insurance services;
- Financial institutions: annual cash advance, automatic cash advance;
- Non-Financial institutions; foreign currency, money orders, traveler's check;
- Security brokers/dealers;
- Overpayments;
- Savings bonds;
- Timeshares;
- Betting, casino gaming chips, off-track betting;
- Political organizations;
- Religious organizations;

- Court costs, alimony, child support;
- Fines;
- Bail and bond payments;
- Tax payments;
- Government loan payments; and
- Other restrictions as defined in the procedures or determined by the Purchasing Agent.

d. Purchasing Methods

Cardholders may use the MCERA credit card to purchase goods in person, by telephone, by FAX, by mail or electronically over the Internet. The MCERA credit card may be used at any business establishment that accepts a VISA credit card as a form of payment. If a vendor does not accept VISA and would like to become a VISA authorized merchant, they should contact their preferred financial institution.

The MCERA credit card may be used by MCERA instead of traditional purchasing methods, to make low dollar purchases of items where no other advantage in price, terms, or delivery time can be gained by Purchasing's buyer involvement. Most items under \$1,000 may be purchased using the MCERA credit card as long as the vendor accepts a VISA credit card.

If a cardholder uses the MCERA credit card to purchase goods or services for his or her business needs, the Accounting Unit Manager – Approving Official (AO), must provide written pre-approval for such a purchase.

e. Roles and Responsibilities

The MCERA credit card program has two levels of organizational responsibility as described below.

Bank of America – Bank of America is the contractor that provides the MCERA credit card to the MCERA cardholders.

MCERA Retirement Administrator – For purposes of the MCERA credit card program, the Retirement Administrator has the duty and responsibilities to add, change or delete Cardholders. The MCERA Retirement Administrator is the final approver attesting that all charges on the monthly Cardholder statement are allowable purchases per MCERA policies and procedures.

MCERA Approving Official (AO) – For purposes of the MCERA credit card program, MCERA has one AO and up to three cardholders, Clerk of the Board of Retirement, Senior Accounting Assistant, and Retirement Administrator. In the absence of the AO, the MCERA Retirement Administrator or the MCERA Assistant Retirement Administrator will serve as the alternate AO.

The MCERA Retirement Administrator has designated the MCERA Accounting Unit Manager to be the AO for pre-auditing invoices supporting the MCERA credit card purchases.

- The AO will attest that all charges on the monthly Cardholder statement are allowable purchases per MCERA policies and procedures.
- The duties and responsibilities of the AO are:
 - a. To receive all supporting documentation supporting the Cardholder's monthly statements for review. The AO must account for each Cardholder's monthly activity by comparing the received information with the Approving Official Summary Report;
 - b. To review all payment documents, supporting receipts and invoices to ensure items being purchased match by item and amount what is shown in the monthly Cardholder's billing statement;
 - c. To determine that purchases are in accordance with MCERA policies;
 - d. To verify the Cardholder has reconciled the supporting documentation to the monthly billing statement and has authorized the charges by signing and dating the bottom of the statement;
 - e. Once everything has been validated, the AO will authorize payment by signing the bottom of the monthly billing statement;
 - f. To submit a signed MCERA Invoice for payment processing at least ten working days prior to the payment due date.
 - g. To retain supporting documents of MCERA credit card transactions, Cardholder monthly statements, and other documents related to the MCERA credit card.
 - h. When requested, to provide documents and information during the annual random MCERA audit.

Cardholder – The Cardholder is responsible for ensuring that the MCERA credit card is used in accordance with all MCERA and Bank of America regulations, policies, and procedures. The Cardholder will receive prior approval from the Retirement administrator before charging any education or travel related expenses associated with their work at MCERA.

- The Cardholder is also responsible for:
- The physical security of the card and the card number;
- Accumulating Cardholder copies of sales drafts, charge slips and any supporting documentation;
- Reconciling receipts and charge slips to the monthly billing statement; and
- Sending reconciled and signed monthly statement to the AO.

Revocation of Privileges: The MCERA credit card privileges may be revoked at any time, upon direction of the MCERA Retirement Administrator. The MCERA credit card privileges will be revoked if the Cardholder continuously misuses the credit card. Improper purchases, frequent lost receipts, not maintaining supporting documentation, and/or not complying with the intent and details of the MCERA credit card program are

examples of misuse.

Intentional use of the MCERA credit card for other than official MCERA purposes may result in immediate cancellation of the Cardholder's MCERA credit card, and possible disciplinary action.

MCERA Invoice Processor – is responsible for entering MCERA invoices in MUNIS.

MCERA Invoice Approver L1 – is responsible for reviewing and approving MCERA invoices in MUNIS. Additionally, he/she must ensure that the entries are correct.

f. Card Appearance

The MCERA credit card is a standard VISA card issued by Bank of America. The card has Marin County Retirement both printed and embossed on it. The MCERA credit card is embossed with the individual Cardholder's name.

g. Spending Limits

MCERA establishes the maximum single transaction limit and maximum monthly amount of not more than \$5,000 respectively for each Cardholder. MCERA may decrease this limit as warranted. If the monthly amount of \$5,000 will be exceeded the Cardholder will seek prior written approval from the Retirement Administrator before making any purchases over the monthly maximum, or by the Chair of the Board of Retirement if such written approval is sought by the Retirement Administrator.

Most items under \$1,000 may be purchased using the MCERA credit card as long as the vendor accepts a VISA credit card. With the exception of conference registrations, Board Workshops and travel related to education and official duties of the Board of Retirement or MCERA staff, all other items purchased over \$1,000 must be approved by the Accounting Unit Manager in consultation with the Retirement Administrator.

4. QUALITY ASSURANCE/IMPROVEMENT

This MCERA credit card policy will receive a review at least every three years and may be amended from time to time.

5. COMPLIANCE WITH ALL APPLICABLE LAWS

MCERA shall engage an independent auditor to provide reasonable assurance that the financial reporting controls of MCERA are reliable and prepared in accordance with Generally Accepted Accounting Principles along with the MCERA's adherence to this policy.

6. RELATED DEPARTMENTS

None

7. POLICY REVIEW

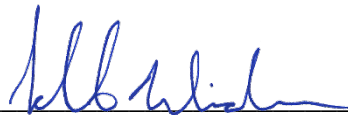
The Finance and Risk Management Committee shall review this MCERA Credit Card Policy at least every three years to assure its efficacy and relevance. This MCERA Credit Card Policy may be amended from time to time by majority vote of the Finance and Risk Management Committee.

8. ATTACHMENTS

No Attachments

9. APPROVAL SIGNATURE

Date



Jeff Wickman
MCERA Retirement Administrator

October 14, 2020