

HIDALGO COUNTY, TEXAS
ADMINISTRATIVE POLICY MANUAL

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FUEL CREDIT CARD USE POLICY, GUIDELINES, AND PROCEDURES

REFERENCE

Form F.1.1 "Fuel Credit Card Request Form"

Form F.1.2 "Fuel Purchases Log"

Form F.1.3 "Statement of Understanding"

BACKGROUND

On December 23, 2008, the Hidalgo County Commissioners' Court revised the Fuel Credit Card Use Policy, Guidelines, and Procedures. This Fuel Credit Card Use Policy, Guidelines, and Procedures supersede the original Fuel Credit Card Use Policy, Guidelines, and Procedures approved on February 26, 2008. The fuel credit card use policies, procedures, and guidelines set forth below are applicable to Hidalgo County Public Officials (Elected Officials, Appointed Officials, and Department Heads) and employees.

The purpose of this policy is to provide rules guidance and procedures for the use of fuel credit cards and to provide for disciplinary action for the misuse thereof. Public Officials may enact a more restrictive policy regarding usage of fuel credit cards for their respective Office/Department.

POLICIES AND GUIDELINES

1.00 FUEL CREDIT CARD ADMINISTRATION

1.01 Fuel Credit Card Administrator: The Purchasing Agent shall serve as the Fuel Credit Card Administrator. The Fuel Credit Card Administrator shall be assigned responsibility for administering the countywide Fuel Credit Card Program. The Fuel Credit Card Administrator's responsibilities include the following:

1. Reviews requests for fuel credit cards from Fuel Credit Card Managers and requests approval for the issuance of fuel credit cards from Commissioners' Court;
2. Receives fuel credit cards from the Fuel Credit Card Issuer and issues fuel credit cards to Fuel Credit Card Managers;
3. Provides training to Fuel Credit Card Managers and Fuel Credit Cardholders regarding the proper use of the fuel credit card in accordance with this policy;
4. Assists the Fuel Credit Card Managers and Fuel Credit Cardholders with settling credit card disputes;
5. Ensures compliance with the policy by reviewing purchases monthly on a sample basis;
6. Monitors the fuel credit card for late payments;
7. Reviews the Fuel Credit Card Use Policy at least annually and presents recommendations for improvement to Commissioners' Court for approval; and
8. Is responsible for other duties as outlined by this policy.

1.02 Fuel Credit Card Manager: Public Officials shall assign the responsibility for administering the Fuel Credit Card Program for their respective office/department to a Fuel Credit Card Manager. Responsibilities of the Fuel Credit Card Manager include the following:

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1. Receives training upon designation as a Fuel Credit Card Manager and annually thereon regarding administration of the Fuel Credit Card Program and responsibilities from the Fuel Credit Administrator;
2. Submits requests for fuel credit cards to the Fuel Credit Card Administrator;
3. Distributes fuel credit cards to Fuel Credit Cardholders;
4. Distributes fuel credit cards to authorized users of non-vehicle related equipment when card is needed to make a fuel purchase;
5. Documents on a log the date the fuel credit card was released/returned and the name of the authorized user that was provided with the non-vehicle related equipment fuel credit card to make a purchase;
6. Reviews fuel credit card purchases in detail on a monthly basis to ensure that purchases are appropriate and made in accordance with this policy;
7. Reviews fuel credit card statements and recommends approval of payment to the Public Official;
8. Ensures fuel credit cards are stored in a secure location while not in use; and
9. Is responsible for other duties as outlined by this policy.

1.03 Fuel Credit Cardholder (authorized users): Fuel Credit Cardholders are those individuals authorized by Commissioners' Court to make fuel purchases with a fuel credit card in accordance with this policy. Fuel Credit Cardholders responsibilities include the following:

1. Obtains and safeguards original itemized receipts for all fuel purchases;
2. Documents fuel purchases on **Form F.1.2 "Fuel Purchases Log"**;
3. Certifies all fuel purchases were for official county business;
4. Ensures fuel credit cards are secured safely while in their possession; and
5. Is responsible for other duties as outlined by this policy.

1.04 Fuel Credit Card Issuer: The Fuel Credit Card Issuer is the company that issues fuel credit cards and sends out the monthly fuel credit card statements.

2.00 FUEL CREDIT CARD REQUIREMENTS

2.01 Requests for fuel credit cards must be presented by the Fuel Credit Card Administrator to Commissioners' Court for approval. Only authorized Cardholders shall have access and use to a fuel credit card.

2.02 Use of fuel credit card shall be restricted to purchase of fuel for official county business and be limited to regular unleaded or the recommended manufacturers fuel type. The fuel credit card is never to be used for securing of goods or services.

2.03 Sufficient funds must be available in the adopted budget before fuel expenditure is made.

2.04 Each fuel credit card will be assigned to a specific county vehicle and is to be used exclusively for that vehicle while on official county business.

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- 2.05 Fuel credit cards may be issued to authorized users for non-vehicle related fuel purchases (i.e. lawnmowers and weed eaters). The authorized users for non-vehicle related fuel purchases should be limited to the minimum amount of authorized users. Non-vehicle related fuel purchases shall require extra monitoring by the Fuel Credit Card Manager and the Fuel Credit Card Administrator.
- 2.06 The purchase of fuel for rental vehicles is not allowed except for the Sheriff's Office and the Elections Department while conducting official County business.
- 2.07 Under no circumstance shall a fuel credit card be used for personal vehicles or for another county vehicle for which the fuel credit card is not assigned.
- 2.08 If an employee finds it necessary to purchase fuel for a county vehicle or rental vehicle with personal funds as opposed to the fuel credit card, a request for reimbursement should be submitted to the County Auditor's Accounts Payable Division, along with proper supporting documentation (i.e. original itemized receipts).
- 2.09 Public Officials and County employees receiving a car allowance, Fuel Credit Card Managers, and the Fuel Credit Card Administrator may not have access to or be issued a fuel credit card.
- 2.10 Fuel credit cards for county and authorized rental vehicles will have a credit limit of \$500.00 per month and two transactions per day unless otherwise requested and approved by Commissioners' Court. Fuel credit cards for non-vehicle related equipment will have a credit limit of \$100.00 per month and two transactions per day unless otherwise requested and approved by Commissioners' Court. Requests for increases with proper justification shall be submitted to the Fuel Credit Card Administrator in writing for review prior to obtaining Commissioners' Court approval.
- 2.11 **Obtaining a Fuel Credit Card**
1. The Fuel Credit Card Manager shall make requests to the Fuel Credit Card Administrator for fuel credit card(s) using **Form F.1.1 "Fuel Credit Card Request"** form.
 2. Each fuel credit card shall have pre-established merchant codes, credit limits, and limit on daily # of transactions.
 3. Requests for changes to these limits shall be submitted for review to the Fuel Credit Card Administrator.
 4. The Fuel Credit Card Administrator shall submit a copy of **Form F.1.1 "Fuel Credit Card Request" form** to the Department of Budget and Management's Risk Safety Division to verify that requested users of fuel credit cards meet the County's driver requirements.

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5. The Fuel Credit Card Administrator shall obtain approval from Commissioners' Court before issuing a fuel credit card or increasing limits to the fuel credit card.
6. Once approval is obtained, the Fuel Credit Card Administrator must provide face-to-face training to the Fuel Credit Cardholder before fuel credit card(s) is issued. The fuel credit card shall not be released until the training is provided. The training shall be provided yearly to existing Fuel Credit Cardholders and Fuel Credit Card Managers. The Fuel Credit Card Administrator shall maintain evidence of the training in the form of a sign-in sheet.
7. The Fuel Credit Card Administrator shall require the Fuel Credit Cardholder to sign **Form F.1.3 "Statement of Understanding"** acknowledging that the Fuel Credit Cardholder has read and agrees to comply with the Fuel Credit Card Use Policy, Guidelines, and Procedures.

2.12 Fuel Credit Card Security

1. The Fuel Credit Card Manager shall maintain a list of approved fuel credit cards and authorized users for his/her department. The Fuel Credit Card Manager should note on the list the names of the authorized users for each fuel credit card. List shall be physically secured.
2. The Fuel Credit Card Manager shall maintain all fuel credit cards safe and secure.
3. The Fuel Credit Card Manager shall only release non-vehicle related equipment fuel credit cards to authorized users when needed to make a fuel purchase. The Fuel Credit Card Manager shall document on a log the date the fuel credit card was released/returned and the name of the authorized user to which the non-vehicle related equipment fuel credit card was released.
4. The Fuel Credit Cardholders shall not share their assigned unique PIN numbers.
5. The Fuel Credit Card Administrator shall maintain the name and number of the Fuel Credit Card Issuer representative.
6. The Fuel Credit Card Administrator shall maintain a list of approved Fuel Credit Cardholders and the Fuel Credit Card Manager assigned to the fuel credit card. The list shall include the authorized merchant codes credit limits, and limit on daily # of transactions. In addition, the Fuel Credit Card Manager should note on the list the names of the authorized users for each fuel credit card. List shall be physically secured.
7. The Fuel Credit Card Administrator shall submit an updated list to the County Auditor's Accounts Payable Division by the 5th workday of the following month.
8. The fuel credit card should be a unique color to reduce the risk of being accidentally used as a personal credit card.

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9. The fuel credit card should have the pre-printed name of the organization above the name of vehicle ID or non-vehicle related equipment ID.
10. The fuel credit card should be pre-printed to clearly state "Fleet Fuel Only" on the front.

2.13 Lost or Stolen Fuel Credit Cards

1. The Fuel Credit Card Manager shall immediately notify the Fuel Credit Card Administrator if the fuel credit card is lost, stolen, or changes to personnel who are authorized to make fuel credit card purchases have been made.
2. The Fuel Credit Card Administrator will then notify the Fuel Credit Card Issuer to cancel/deactivate the lost or stolen fuel credit card. A request for a new fuel credit card from the Fuel Credit Card Issuer will be promptly made.
3. If the lost or stolen fuel credit card is subsequently found, the fuel credit card shall be immediately returned to the Fuel Credit Card Administrator and will be destroyed.

2.14 Documenting Purchases

1. A fuel purchases log and original itemized receipts shall be maintained for each fuel credit card issued. Frequent losses of receipts may result in disciplinary action. The Fuel Credit Cardholder may also be required to pay charges with his/her own personal funds.
2. The fuel purchases log, at a minimum, (***Form F.1.2 "Fuel Purchases Log" has been provided for your convenience***) should include the following:
 - a. date and purpose of the purchase;
 - b. merchant name;
 - c. gallons purchased ;
 - d. name of the user/purchaser;
 - e. total amount of purchase;
 - f. odometer readings;
 - g. object number to which fuel purchases should be charged; and
 - h. column for the Fuel Credit Card Manager to check-off his/her detailed monthly reconciliation to the fuel credit card statement.
 - i. signature line for the authorized user to certify purchase was for official business use; and

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- j. signature line for the Fuel Credit Card Manager to certify his/her review and recommended approval for payment.
- 3. The Fuel Credit Cardholders shall forward the fuel purchases log to the Fuel Credit Card Manager at least once a month.
- 4. The Fuel Credit Card Manager shall maintain a permanent file of all fuel purchase logs in accordance with the records retention law. This file will be subject to periodic review by the County Auditor's Office.

2.15 Payment and Reconciliation

- 1. The Fuel Credit Card Manager shall reconcile the fuel purchases log and original itemized receipts to the monthly fuel credit card statement.
- 2. The Fuel Credit Card Manager will verify that required information is entered on the fuel purchases log by the Fuel Credit Cardholders.
- 3. The Fuel Credit Card Manager will verify that original itemized receipts were submitted for each purchase, purchases are made in compliance with policy; and correct odometer readings are entered in sequential order. The Fuel Credit Card Manager should note discrepancies and forward the discrepancies to the Fuel Credit Card Administrator and the County Auditor's Accounts Payable Section.
- 4. The Fuel Credit Card Manager shall ensure that sufficient funds are available in the adopted budget to pay for the fuel credit card purchases.
- 5. Every attempt should be made to ensure balances are paid in full each month (see resolution of disputed charges).
- 6. Reconciled fuel credit card statement(s), and original itemized receipts shall be forwarded to the County Auditor's Accounts Payable Division for payment.

2.16 Disputed Charges

- 1. The Fuel Credit Card Manager shall inform the Fuel Credit Card Administrator of disputed charges within two calendar days. Communication shall be in writing (email or memorandum) and document the following:
 - a. date of disputed purchase;
 - b. name of merchant;
 - c. gallons disputed;
 - d. total amount of disputed purchase; and

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e. Reason of dispute.

2. The Fuel Credit Card Administrator shall inform the Fuel Credit Card Issuer of the disputed charges within two calendar days. Communication shall be documented in writing.

2.17 Canceling a Fuel Credit Card

1. The Fuel Credit Card Manager shall immediately notify the Fuel Credit Card Administrator in writing when:
 - a. a vehicle is sold, wrecked or removed from service;
 - b. a vehicle is transferred to another county department (Note: Please ensure that the Fuel Credit Administrator is notified prior to transferring vehicle to another county department to ensure that proper department is billed for fuel purchases);
 - c. an authorized Fuel Credit Cardholder's employment with the county is terminated; or
 - d. an authorized Fuel Credit Cardholder is transferred to another county department.
2. The written notification shall include:
 - a. a request to cancel the fuel credit card;
 - b. the reasons for canceling the fuel credit card;
 - c. identify the fuel credit card number;
 - d. vehicle identification number or non-vehicle related equipment description and serial number;
 - e. unit number;
 - f. license plate number; and
 - g. authorized user (if any).
3. Upon written notification, the Fuel Credit Card Administrator shall request from the Fuel Credit Card Issuer that the fuel credit card be cancelled/deactivated. The request shall be made in writing. The written request shall be filed for record keeping purposes in accordance with the records retention law.
4. Prior to separation from the County or before transferring to another county department, the employee shall surrender the fuel credit card to the Fuel Credit Card Manager. The Fuel Credit Card Manager shall surrender the fuel credit card to the Fuel Credit Card Administrator and the fuel credit card shall be destroyed. The Fuel Credit Card

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Administrator shall maintain records indicating when the fuel credit card was destroyed in accordance with records retention law.

2.18 The County Auditor may use discretion to approve fuel credit card charges for payment that were not incurred in accordance with the Fuel Credit Card Use Policy; however, the charges were reasonable, necessary, and incurred while conducting official county business.

2.19 Fuel Credit Card Rebates

1. Fuel credit card rebates shall be addressed by the Fuel Credit Card Administrator for proper credit to the County of Hidalgo. The rebates shall be submitted immediately to the County Treasurer's Office for deposit but no later than the 7th day work day from the date the rebates were received.

3.00 SANCTIONS

3.01 Any misuse of the fuel credit card will result in reasonable disciplinary actions that may include one or a combination of the following:

- a. termination of employment;
- b. payroll deduction of any unauthorized purchases and of any administrative costs associated with any unauthorized purchase;
- c. reimbursement to Hidalgo County for unauthorized purchase and any administrative costs associated with the unauthorized purchase;
- d. transfer of duty that does not involve or require the use of the fuel credit card;
- e. limitation on the use of the fuel credit card and/or termination of the right to use the fuel credit card at anytime with or without cause; or
- f. other discipline as authorized by the Public Official.

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PROCEDURES

1. The following procedures are required and will be adhered to when using the fuel credit card:
 - a. **Form F.1.3 "Statement of Understanding"** (attached hereto) acknowledging the understanding of this policy, and the sanctions for misuse must be signed and kept in a file by the Fuel Credit Card Administrator for each authorized user.
 - b. A purchase order for the purchase of fuel must be open and valid prior to using the fuel credit card. All funds for the fuel credit cards shall be in the appropriated budget line items.
 - c. A list of approved fuel credit cards and authorized users must be kept with the Fuel Credit Card Manager with a copy to the Fuel Credit Card Administrator. The Fuel Credit Card Manager should note on the list the names of the authorized users for each fuel credit card. The list shall include the authorized merchant codes credit limits and limit on daily # of transactions.
 - d. When using the fuel credit card at a self serve pump, the employee will:
 - i. enter P.I.N. (Personal Identification Number);
 - ii. enter the vehicle number;
 - iii. enter the odometer reading;
 - iv. request for original itemized receipt (If receipt is not automatically generated at the pump, a original itemized receipt must be requested from the store attendant);
 - v. sign or initial original itemized receipts and write in his/her County Employment Identification Number; and
 - vi. submit original itemized receipt to their Fuel Credit Card Manager the same date; or
 - vii. if fueling after established work hours, submit the original itemized receipt to the Fuel Credit Card Manager the next business day.
 - e. If an employee loses a receipt, the employee will submit an affidavit accounting for the specific lost data. The affidavit shall accompany request for payment to the County Auditor's Accounts Payable Division. An employee's fuel credit card privileges may be revoked if receipts are frequently lost.
 - f. When the fuel credit card statement is received, the Fuel Credit Card Manager shall reconcile the charges.

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- g. If the fuel credit card statement is reconciled, then the Fuel Credit Card Manager shall deliver all documents necessary for payment to the County Auditor's Accounts Payable Division.
- h. If the fuel credit card statement cannot be reconciled between the Fuel Credit Card Manager and the Fuel Credit Cardholder, then the Fuel Credit Card Manager shall notify the Fuel Credit Card Administrator in writing to dispute any amounts that are determined to be in error. The Fuel Credit Card Manager shall deliver to the County Auditor's Accounts Payable Division an annotated copy of the fuel credit card statement showing amounts in dispute with a request for payment on undisputed amounts.
- i. The Fuel Credit Card Manager shall deliver fuel credit card fuel credit card statements to the County Auditor's Accounts Payable Division within five (5) working days following receipt of the fuel credit card statement. The County Auditor's Accounts Payable Division shall make every effort in the normal course of business to process valid fuel credit card statements for payments prior to the payment due dates.
- j. The Fuel Credit Card Administrator at their discretion may terminate privileges at any time due to misuse, abuse, etc.

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STATEMENT OF UNDERSTANDING

I have read understood and will abide by the Fuel Credit Card Use Policy (The "Policy"). I understand that the Fuel Credit Card Use Policy is designed to improve the management and control of official business of the County of Hidalgo.

I further understand the issuance of a Fuel Credit Card (the "Card") to me is keeping with my assigned duties and responsibilities and that I am being specifically directed to:

- Abide by all policies rules and understandings with respect to the Card.
- Use the Card only for those necessary and reasonable expenses incurred or authorized for the direct purpose of the Fuel Credit Card Program.
- Make **ABSOLUTELY NO** personal use of the Card.
- Use the Card only as anticipated in the budget.
- Use of the Card for emergency purchases must be completed as outlined in the policy.
- Retain and submit original itemized receipts for all Card use.
- Keep the Card in my possession and control at all times.
- Allow no one else to use the Card or pin number assigned to me.
- Permanently surrender the Card when my duties no longer require the use of the Card.

I agree to comply with the terms and conditions of the Hidalgo County Fuel Credit Card Use Policy. I understand that any misuse of the Card will result in one or more of the following:

- Termination of employment.
- Payroll deduction of any unauthorized purchases and of any administrative cost associated with any unauthorized purchase.
- Reimbursement to Hidalgo County for unauthorized purchase and any administrative costs associated with the unauthorized purchase.
- Transfer of duty that does not involve or require use of the Card.
- Limitation on the use of the Card and or termination of my right to use the Card at any time with or without cause.
- Other discipline as authorized by the Public Official for violation of Fuel Credit Card Use Policy.

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I certify that I have read understood and agree to abide by the above and all other policies, procedures, features and regulations that apply to the County of Hidalgo, Texas Fuel and/or Fuel Credit Card Use Policy.

Print Name

Employee Signature

Employee No.

Date

Department Name