

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE TO AMEND THE CODE OF AUGUSTA, GEORGIA WITH RESPECT TO ELECTED OFFICIALS PURCHASING AND CREDIT CARDS, AND FOR OTHER PURPOSES.**

**WHEREAS**, effective January 1, 2016, O.C.G.A. § 36-80-24 prohibits county elected officials from using government purchasing cards and government credit cards unless the county governing authority authorizes the issuance of such cards by public vote and has promulgated specific policies regarding the use of such cards;

**WHEREAS**, the Augusta, Georgia County Board of Commissioners promulgates this ordinance as the official policy of Augusta, Georgia.

**WHEREAS**, the Augusta, Georgia Commission has a strong interest in safeguarding and promoting the public health, safety, and general welfare of all citizens thorough the adoption of this ordinance.

**NOW, THEREFORE, BE IT ORDAINED** that the following ordinance be adopted by the Augusta, Georgia Board of Commissioners and hereby ordains as follows: <sup>1</sup>

**TITLE 1. Ordinance 7787 adopted August 3, 2021 codified in Title 1, Chapter 10, Section 132-138 of the Code of Augusta, Georgia, is hereby repealed. A new Title 1, Chapter 10, Article 14 entitled “Elected Officials Purchasing and Credit Cards,” is hereby created as follows:**

**CHAPTER 10. Procurement**

**ARTICLE 14. Elected officials purchasing and credit cards.**

**Sec. 1-10-200 Purpose**

This ordinance is intended to comply with the policy requirements of O.C.G.A. § 36-80-24 regarding the use of County issued government purchasing cards and credit cards.

**Sec. 1-10-201 Definitions**

- A. **AUTHORIZED ELECTED OFFICIAL** means an elected official designated by public vote of the Augusta, Georgia Commission to receive a county issued purchasing or credit card.
- B. **CARD ADMINISTRATORS** means the City Administrators and/or his or her designee(s).

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<sup>1</sup> If elected officials currently use county purchasing or credit cards, this ordinance should be effective no later than January 1, 2016.

- C. CITY means the City of Augusta, Georgia and/or Augusta and, as the context warrants, those persons or bodies authorized to act on its behalf, including, but not limited to, the city mayor/commission, committees, boards and staff.
- D. CITY ETHICS POLICY shall mean Article 2 Code of Ethics, Article 3 Ethics in Public Procurement Administration, of the Code Augusta, Georgia.
- E. CITY FINANCE DIRECTOR/FINANCE DIRECTOR means the City Accountant as described in the City Charter, his agent, or the department head of the City Finance Department, if such a department is in existence.
- F. CITY PROCUREMENT/PURCHASING DIRECTOR means the City Purchasing Director as described in the City Charter, his/her agent, or the department head of the City Procurement Department, if such a department is in existence.
- G. COUNTY means Augusta, Georgia.
- H. COUNTY PURCHASING CARD, “COUNTY P-CARD” OR “COUNTY CREDIT CARD” means a financial transaction card issued by any business organization, financial institution, or any duly authorized agent of such organization or institution, used by a county official to purchase goods, services and other things of value on behalf of the county.
- I. FINANCAL TRANSACTION CARD means an instrument or device as the term is defined in O.C.G.A. § 16-9-30(5).
- J. USER AGREEMENT means the required agreement between the county and the authorized elected officials which restricts the use of a county purchasing card or credit card.<sup>2</sup>

### **Sec. 1-10-202 Designated Elected Officials**

The Augusta, Georgia Board of Commissioners (“County”), in its discretion, may authorize specific county elected officials to use a county purchasing card or credit card by adoption of a resolution in a public meeting.<sup>3</sup>

No authorized elected official may use a county purchasing card or credit card until and unless he or she has executed the County’s purchasing card and credit card user agreement.<sup>4</sup>

The County will not make payments to any business organization, financial institution, or any duly authorized agent of such organization or institution, for amounts charged by an elected official to any purchasing cards or credit cards that are not issued pursuant to this ordinance or for any purchases that are not authorized by this ordinance.

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<sup>2</sup> See, O.C.G.A. § 36-80-24(c)(2).

<sup>3</sup> O.C.G.A. § 36-80-24(c) requires that the board of commissioners designates the elected officials authorized to use a county purchasing or credit card through a public vote.

<sup>4</sup> O.C.G.A. § 36-80-24(c)(2).

## **Sec. 1-10-203 Card Administrator**

The Board of Commissioners shall designate a County purchasing card and credit card administrator. The responsibilities of the Card Administrator include:<sup>5</sup>

- A. Manage County issued purchasing cards and credit cards.
- B. Serve as the main point of contact for all County purchasing card and credit card issues.
- C. Serve as liaison to the elected officials authorized to use a purchasing card or credit card and their staff, as well as to the issuer of the purchasing card or credit card.
- D. Provide training on card policies and procedures to the elected officials authorized to use a purchasing card or credit card and their staff.
- E. Develop internal procedures to ensure timely payment of cards.
- F. Assist authorized elected officials to dispute transactions when necessary.
- G. Establish internal procedures to ensure compliance with this ordinance, County procurement ordinances and policies, County purchasing card and credit card user agreements, applicable agreements with the business organization, financial institution, or any duly authorized agent of such organization or institution, issuing card, and state law, specifically, O.C.G.A. §§ 16-9-37 and 36-80-24.
- H. Document internal controls, audits and other measures to prevent and detect misuse or abuse of the cards.
- I. Audit and reconcile transactions monthly.
- J. Maintain records for at least seven years or as otherwise provided by the County's record retention policy.<sup>6</sup>

**The Augusta, Georgia Commission** hereby designate the City Administrator and his/her designee(s) as the County credit card administrator and the County purchasing card administrator.

### **City Administrator's purchasing and credit card designee(s)**

Credit Cards – Finance Department  
Purchasing Cards - Procurement Department

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<sup>5</sup> The board of commissioners is required to designate a card administrator, but the duties of the card administrator are not specified by law. These are sample duties of a card administrator. Each county should tailor the duties of their card administrator to fit within the structure of its government and the requirements of the organization or institution issuing the cards to the county.

<sup>6</sup> Unless the county has adopted its own record retention schedule, it is subject to the [Retention Schedule for Local Government Paper and Electronic Records](#) adopted by the State Records Committee. The Retention Schedule for Local Government Paper and Electronic Records requires records documenting administration of credit cards to be kept for at least seven years.

## Sec. 1-10-204 Use of Cards

- A. **Authorized Purchases.**<sup>7</sup> County purchase cards and credit cards may be used to purchase goods and services directly related to the public duties of the authorized elected official only. All purchases are subject to the terms of this ordinance, the County purchasing card and credit card user agreement, county procurement policies and ordinances, and the adopted budget.

Only authorized elected officials may use a County purchase card or credit card for purchases or payments. The cards, and use of the cards, are not transferrable to employees. The authorized elected official shall use care to ensure that others do not have access to the card account number, expiration date and security code.

Unless otherwise approved by the governing authority or established in the County purchasing card and credit card user agreement, the transaction limits<sup>8</sup> are as follows:

- B. **Unauthorized Purchases.**<sup>9</sup> County purchasing cards and credit cards shall not be used for goods and services not directly related to the official responsibilities of the authorized elected official. Additionally, cards shall not be used to avoid compliance with the County's purchasing ordinances and procedures, to purchase goods and services that are not approved in the County's budget, to purchase goods and services exceeding the per transaction or per month limit, or to make purchases not in compliance with the County purchasing card and credit card user agreement or travel policy.
- C. **Receipts and Documentation.** Receipts, invoices and other supporting documentation of all purchases made with a county purchasing card or credit card shall be obtained and maintained by the authorized county elected official for five years or as otherwise provided by the County's record retention policy.<sup>10</sup> If an original or duplicate cannot be produced, a sworn affidavit of the authorized elected official may be substituted. The documentation must include the supplier or merchant information (i.e., name and location), quantity, description, unit price, total price, price paid without sales tax and an

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<sup>7</sup> O.C.G.A. §§ 16-9-37(b) and 36-80-24(c)(4) requires that the county describe in writing the types of purchases that are "authorized." The law only proscribes that the purchases must be for items and services directly related to the elected officials public duties and that they comply with the county's policy and user agreement. O.C.G.A. § 36-80-24(a) and (c). This paragraph is a sample of what could be included as authorized purchases. Each county should tailor this provision to meet the needs of its government.

<sup>8</sup> O.C.G.A. §§ 16-9-37(b) and 36-80-24(c)(3) require that the county adopt written transaction limits. The transaction limits could be a maximum dollar amount or a maximum number of transactions per day, per month, per year.

<sup>9</sup> O.C.G.A. § 36-80-24(c)(5) requires that the county describe the types of purchases that are "not authorized." This paragraph is a sample of what could be included as unauthorized purchases. Each county should tailor this provision to meet the needs of its government. Specific consideration should be given to the county's travel policies, reimbursement policies, cash advances, entertainment, alcohol, tobacco, fuel, software, computers, apps, gift cards, etc.

<sup>10</sup> Unless the county has adopted its own record retention schedule, it is subject to the [Retention Schedule for Local Government Paper and Electronic Records](#) adopted by the State Records Committee. Accounts payable files must be kept for five years.

explanation of the purchase sufficient to show that the expense was in the performance of official County duties.

- D. **Public Records.** All receipt and other documentation of purchases are public records and subject to the requirements of O.C.G.A. § 50-18-70 *et seq.*<sup>11</sup>

### **Sec. 1-10-205 Transaction Limits**

Transaction limits are hereby established to ensure compliance with state purchasing laws, maintain proper budgetary controls, and minimize excessive use of any individual credit line. Individual monthly card limits must align with the limits established by the governing authority of Augusta, Georgia.

**Mayor:** The single transaction limit must not exceed \$\_,000.00, and the monthly limit must not exceed \$\_,000.00.

**Other Elected Officials:** The single transaction limit must not exceed \$\_,000.00, and the monthly limit must not exceed \$\_,000.00.

**Department Directors:** The established single transaction limit is less than \$1,000.00. The monthly card limit must be based on the city's budgetary constraints and must not exceed \$5,000.00 per month.

**All Other Designees:** The single transaction limit is set at \$500.00, and the monthly limit must not exceed \$5,000.00.

### **Sec. 1-10-206 Review of Purchases and Audit.**<sup>12</sup>

Proper documentation of purchases, internal controls and other measures prevent and allow detection to misuse or abuse of County issued purchase cards and credit cards. Authorized elected officials and staff that process payments under this program shall cooperate and comply with the procedures established by the County.

- A. **Review of Purchases.**<sup>13</sup> All purchases shall be reviewed according to the following procedure:

- a) User has attached required supporting documentation, documenting the expenditure (purpose), vendor, amount, description of purchase, and expenditure account to be charged);
- b) User has verified such purchase was made in compliance with Augusta procurement policies and procedures, and those governing use of procurement and/or credit cards; and
- c) If expenditure was made by employee of Elected Official, it must be approved by

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<sup>11</sup> See, O.C.G.A. § 36-80-24(b). Any official that destroys records for the purpose of preventing their disclosure can be prosecuted for a felony punishable by two to ten years in a state prison. O.C.G.A. § 45-11-1.

<sup>12</sup> A process for auditing and review must be developed. O.C.G.A. § 36-80-24(c)(7).

<sup>13</sup> O.C.G.A. § 36-80-24(c)(7) requires the county to establish a procedure where purchases are reviewed. To ensure timely and proper payment by the county of the charges each month, the county needs to establish a procedure for the elected officials to turn in documentation to the card program administrator or other person processing accounts payable for the county.

the Elected Official or other person designated by him/her.

- B. **Audit.** The Finance Department Accounting Division shall perform an annual review of the card program to ensure adequacy of internal policies and procedures, cardholder spending limits, monthly reconciliation procedures and documentation for transactions. Elected officials and staff shall cooperate with such review.

**Sec. 1-10-207 Violations.<sup>14</sup>**

- A. An elected official shall reimburse the County for any purchases made with a County issued purchase card or credit card in violation of this ordinance or the user agreement.
- B. In the discretion of the county governing authority, failure to comply with the procedures outlined in this ordinance may result in:
  - i. A warning;
  - ii. Suspension of the elected official's authority to use a County purchase card or credit card; or
  - iii. Revocation of the elected official's authority to use a County purchase card or credit card.
- C. Nothing in this ordinance shall preclude the county governing authority from referring misuse of a purchase card or credit card for prosecution to the appropriate authorities.
- D. **Use of Credit or Purchasing Card Accounts for Personal Purchases Prohibited:** Under no circumstances is a cardholder or program participant permitted to use Credit/P-Card or related accounts for personal purchases. (Personal purchases are defined as purchases of goods or services intended for non-work-related use or use other than official Augusta business.) Using the Credit/P-Card and or related accounts for personal purchases may result in disciplinary action, up to and including termination from Augusta employment and criminal prosecution. The Official Code of Georgia, Annotated (O.C.G.A.), §50-5-80 and §50-5-83 states that any person who knowingly uses funds for personal purchases under \$500 is guilty of a misdemeanor. A person who knowingly uses funds for personal purchases of \$500 or more is guilty of a felony punishable by one to 20 years in prison. Supervisors or other approving officials who knowingly, or through willful neglect, approve personal or fraudulent purchases are subject to the same disciplinary actions as those making the purchases.

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<sup>14</sup> O.C.G.A. § 36-80-24(c)(8) requires the county to establish a procedure to deal with purchase card and credit card policy violations, including revoking card privileges. Some policies allow for small infractions to result in a warning, while larger or multiple infractions to result in suspension or termination of p-card or credit card privileges.

All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Duly adopted this \_\_\_\_ day of \_\_\_\_\_ 2024.

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Garnett L. Johnson, Mayor

Attest:

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Lena J. Bonner, Clerk of Commission