

Jefferson County, Wisconsin
Purchase and Credit Card Policy and Procedures (P-Cards)

Statement of Purpose

To establish policies and procedures for procuring goods and/or services using a Purchasing Card. Purchasing Cards and Credit Cards are referred to throughout the policy as the “P-Card.” The purchasing card program is designed to streamline the purchasing and accounts payable process by reducing the paperwork generated by high volume transactions and facilitating quick payment to vendors.

Policy

This policy applies to all Jefferson County departments and employees. Employees who use the P-Card to perform official County business will use the P-Card as provided in this policy. County employees or officials that utilize cards for payment shall use the purchasing card as primary payment method. If a merchant does not accept the purchasing card, the County’s credit card shall be the secondary method. Only in cases of emergency shall an employee or official use his or her personal card for County purchases.

Responsibility

Finance Department will be responsible to:

- The Finance Department may utilize a P-Card provider as approved by the Finance Committee.
- Serve as primary contact with the County’s selected P-Card provider.
- Serve as primary contact with P-Card users.
- Approve/process the issuance of P-Cards for users in compliance with the requirements as stated in the policy.
- Establish guidelines and criteria for transactions and cumulative dollar limits.
- Approve/process changes with approval of the County Administrator, such as changes to Cardholder limits and restrictions as authorized by Elected Officials or Department Heads.
- Keep a current list of Cardholders, card numbers and card limits.
- Coordinate training on P-Card usage and policies and procedures.
- Review departmental compliance/submission of approved expense reports with receipt reconciliations.
- Cancel and suspend cards as requested by Elected Officials or Department Heads.
- Coordinate any system updates needed to interface with the County’s accounting system.

- Select and maintain the County's General Ledger interface for monthly P-Card purchases.

Elected Officials and Department Heads will be responsible to:

- Designate which employees will receive a P-Card and set limits for each Cardholder's account. These limits will be based on the Cardholder's purchasing requirements and will not exceed the limits established.
- Approve departmental transactions for processing by the Finance Department either directly or through their authorized personnel. Except for Elected Officials or Department Heads, cardholders will not be allowed to approve their own transactions.
- Recommend suspension or cancellation of a card to the Finance Department.
- Notify the Finance Department to cancel card privileges if employee is terminated or changes position and collect card from employees.
- Verify that information on Purchasing Card Cardholder Agreement is correct and that P-Cards are issued within the guidelines established.
- Monitor purchases made by Cardholders.
- Ensure that proper supporting documentation is retained for all P-Card purchases made by their department.
- Enforce timely compliance of submission requirements and review and approve receipts and expense report reconciliation for submission to the Finance Department.
- Ensure that general ledger account numbers are assigned online before submission to the Finance Department.

Cardholders will be responsible to:

- Read and sign a Purchasing Card Cardholder Agreement.
- Insure that no unauthorized purchases are made. All purchases made with P-Cards shall comply with the County's Purchasing Ordinance, as applicable.
- Inform merchant of tax exempt status; cardholder will be responsible for notifying vendor of tax exempt status. Failure to do so may require the cardholder to reimburse the taxable amount to the County.
- Keep all receipts and update card transactions in the County's designated P-Card interface.
- Report immediately lost or stolen cards to the Bank and the Finance Department.
- Make every reasonable effort to resolve disputed purchases with the vendor.
- Report immediately all unresolved disputed purchases to the Finance Department.

Procedures

A. Purchasing Limits

Each Department with approval of the County Administrator will establish limits for individual P-Cards and aggregate limits for combined card totals. Maximum amount of a single purchase or monthly maximum per card can be established by the Elected Official or Department Head if deemed necessary.

B. Purchases Allowed with the P-Card

P-Cards may be used to purchase any item and/or service that is not prohibited by law, this policy or other approved policies. All other purchasing policies remain in effect and P-Cards should not be used to circumvent them.

C. Purchases Prohibited with the Purchasing Card

Note: May not be all inclusive. Any questions should be directed to the Finance Department.

- Personal expenditures including but not limited to:
 - Entertainment of any kind, including purchase of alcohol
 - Charitable Organizations
 - Memberships to Social clubs
 - Specialty Retail (Art Dealer, Crystal, Duty-Free stores, etc.)
 - Misc. Service Providers (Timeshares, Camp Sites, Etc.)
 - Any expenditures not directly related to or required for County business
- Cash Advances or cash refunds
- Transactions made with the intent to circumvent State Law or County policy
- High Risk Industries (Jewelry Stores, Pawn Shops, Fur Shops, etc.)
- Catalog order or Telemarketing (this does not prohibit ordering online from a reputable business such as Amazon)
- Financial Services

D. Security

The Cardholder is responsible for the security of the card. The card should be kept in a secure place at all times.

E. Supporting Documentation for Card Purchases

All transactions must be supported by receipts or proper documentation of purchase. For purchases made over the phone or on the Internet a proof of purchase confirmation of the order should be retained as the receipt.

F. Declined Transactions

If a vendor receives a “decline” response from the Bank after attempting to put through a P-Card transaction, Cardholders along with the Finance Department should determine the reason for the

decline and may need to temporarily or permanently change the control limits to process the transaction.

G. Purchasing Return

The Cardholder is responsible for obtaining a credit memo from the Vendor when merchandise purchased with the card is later returned to the Vendor for any reason. The credit memo will be retained in the County's designated system along with the sales receipt.

H. Reports and Reconciliation

The Cardholder shall reconcile all monthly expenses to the County's designated system and submit for approval to the appropriate Elected Official or Department Head. The Elected Official or Department Head shall be responsible for ensuring that the expenses in the County's designated system are reconciled to the purchase receipts and that the expenditures are appropriate and comply with this Policy and any other County policies as applicable. The Elected Official or Department Head shall release the approved supporting documentation the Finance Department no more than five (5) business days prior to the statement date.

I. Lost or Stolen Purchasing Card

When it is determined that a P-Card has been lost or stolen, it is imperative to first cancel the card with the bank by calling the Bank. In addition, the Cardholder must also notify the Finance Department.

J. Unauthorized Use of the Purchase Card

Any purchase that the Finance Department deems prohibited will be sent back to the Department for justification and/or explanation. If any prohibited or misuse of the P-Card is suspected, the following may occur:

- The Finance Department and/or Administrator will investigate all circumstances surrounding suspected misuse of the P-Card and in cases where there is evidence of a procedure or policy violation; refer that information to the appropriate authority for investigations and possible disciplinary action up to and including termination.
- Termination of employment and forfeiture of the P-Card are potential disciplinary actions for improper use of the card.

Any employee having knowledge of violations to this procedure or any other procedures or policy governing the use of the P-Card must immediately report such activity to the Finance Department.

K. Disputed Items

Disputes, if possible, should be resolved promptly between the Cardholder and the Vendor. Cardholders should raise disputes immediately. Failure to do so may result in an authorized purchase that the department is responsible for paying even though the charge is incorrect. A charge should not be disputed on the current expense report unless the charge and the credit are on the same P-Card billing statement. If the charge and credit are not on the same P-Card billing statement, the credit should be reported on the next expense report with a notation being made that there is a disputed charge and expected credit.

L. Termination Clause

The P-card is issued to an employee for the County's convenience and may be suspended or terminated at any time by the County for non-compliance with County policies and procedures. Transfer, resignation, or terminations of employment are grounds for cancellation of the P-Card. The department should let the Finance Department know of any of these changes.

This card policy is not intended to replace, but rather supplement existing purchasing, travel and other County policies. (Policy Approved by Finance Committee on 5/14/15, revised 4/12/18 and 11/8/2018.)

PURCHASING CARD CARDHOLDER AGREEMENT

If issued to an individual Cardholder:

I, _____ hereby agree to comply with the purchase card policy and procedures and the following terms and conditions regarding the use of the card. As a cardholder, I have read and understand the Jefferson County Purchasing Card Policy and Procedures.

If issued to the Department:

I, _____ as the Elected Official or Department Head agree to make sure that anyone that uses the card understands and complies with the purchase card policy and procedures and the following terms and conditions regarding the use of the card. As the Elected Official or Department Head, I have read and understand the Jefferson County Purchasing Card Policy and Procedures.

I understand that I am being entrusted with the purchasing card. I will be making financial commitments on behalf of Jefferson County. I will obtain the best value for Jefferson County by using the card wisely and with discretion.

I agree to use this card for official approved purchases only, I fully understand that misuse or abuse of the card will result in revocation of the card and appropriate disciplinary action which may include termination of my employment.

I agree to return the card immediately upon request or upon termination of employment. Should I be transferred, qualify for extended leave or undergo organizational change which causes my duties to no longer necessitate the use of the card, I agree to return it immediately and arrange for issuance of a new card as may be appropriate.

I agree to immediately notify the Finance Department if my issued P-Card is lost or stolen; or if I have knowledge of any violation of the Purchase Card Policy and Procedure or any other policy or procedure governing the use of the P-Card; or if I unintentionally use the card for a personal transaction or other unauthorized purchase.

Employee

Date

Department

Elected Official/Department Head

Date

Name on the Card

Limit