



PORTAGE COUNTY

PROCUREMENT CARD MANUAL

GENERAL PROGRAM POLICY AND PROCEDURES

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PORTAGE COUNTY PURCHASING DEPARTMENT

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Welcome to Portage County's Procurement Card Program!

Your Procurement Card Manual is a guideline for the credit card program initiated by the Finance Department and approved by the Finance Committee, for county-wide use. It contains detailed information that management and individual cardholders need, to make the program work effectively and efficiently.

Each department is responsible for the program within its respective area, and shall submit monthly statements to the Purchasing Department for timely processing. In addition to the convenience for staff, Portage County businesses will benefit as a result of immediate payment from the bank rather than waiting for the traditional voucher process for invoices.

Your suggestions concerning the format or content of the manual, and the program itself, are always appreciated.

Regards,

Calvin Winters
Procurement Director

Portage County Procurement Card Manual

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Forms:

- **Procurement Card Use Application/Use Agreement**
- **Cardholder Dispute Form**
- **Cardholder Account Maintenance Form**

GENERAL PROGRAM POLICY AND PROCEDURES

The purpose of this manual is to establish rules and regulations governing the use of County issued procurement cards provided to authorized personnel in order to make the purchase of goods and/or services for County programs.

GENERAL PROGRAM OVERVIEW

This program allows authorized personnel of the County to make purchases of low-dollar value goods and services to be used during the course of business for Portage County. Individuals who have been issued procurement cards may now initiate transactions in-person, internet, or by telephone and receive goods and services within the limits of this procedure.

DEFINITIONS:

Vendor: A company from which a cardholder is purchasing goods and/or services under the provisions of this procedure.

Cardholder: Personnel who have been issued procurement cards and who are authorized to make purchases in accordance with these procedures.

Approving Supervisor: Individual who reviews and approves a cardholder's monthly statement.

Coordinator: The person responsible for all program detail, including all cardholder inquiries.

Statement of Accounts: Monthly listing of all transactions by the cardholder issued by the bank directly to the cardholder.

Provider: Bank or company providing the Procurement Card service.

Purchase Limit: A dollar amount limitation of purchasing authority delegated to a cardholder.

Requisitioner: An employee who has the need for goods or services that can only be fulfilled by a vendor. Under this Procurement Card Procedure, a requisitioner is a cardholder.

Card: Portage County Procurement Card.

RECEIVING A PROCUREMENT CARD

1. Department Heads may authorize personnel to be cardholders by contacting the Purchasing Department (Coordinator), Procurement Specialist, Karen Kluck at, phone 715-346-1333, E-mail: kluckk@co.portage.wi.us
2. The proposed cardholder shall be issued a copy of the Procurement Card procedure and shall be required to sign a Cardholder Enrollment Form and Employee Agreement. This agreement indicates that the cardholder understands the procedure and the responsibilities of a Procurement Cardholder. The enrollment form includes all the information needed to register the Cardholder in the provider's system.
3. The Purchasing Department and Finance Department shall maintain all records of procurement card requests, cardholder transfers, and lost/stolen/destroyed card information.

AUTHORIZED PROCUREMENT CARD USE

1. The unique procurement card that the cardholder receives will have the employee's name embossed on it and shall be used only by the cardholder. **No other person is authorized to use that card.** The cardholder is authorized to make transactions on behalf of others in their department. The cardholder is ultimately responsible for all use against their procurement card.
2. Use of the procurement card shall be limited to the following conditions:
 - The total value of a good or service shall not exceed a cardholder's purchase limit of \$1,000. Payment **shall not** be split into multiple transactions to stay within the purchase limit.
 - All items purchased "over the counter" must be immediately available at time of procurement card use. No backordering of merchandise is allowed.
 - Purchases exceeding \$1,000 with prior authorization from the Procurement Director.

UNAUTHORIZED PROCUREMENT CARD USE

The procurement card **shall not** be used for any of the following without prior authorization from the Procurement Director:

- * Single purchase transactions exceeding \$1,000.
- * Alarm/Security systems
- * Alcoholic beverages, drugs, or pharmaceuticals
- * Ammunition
- * Capital equipment
- * Cash advances (ATM machines)
- * Legal Services
- * Meals
- * Motor Vehicles
- * Non-business/personal
- * Radioactive materials

- * Consulting services
- * Firearms
- * Insurance
- * Leases/Rentals of property
- * Tax reportable services
- * Telephone call/mo. charges
- * Travel (except lodging, registration, airlines, & fuel for rentals)

NOTE: A cardholder who makes unauthorized purchases or carelessly uses the procurement card, may be liable for the total dollar amount of such unauthorized purchases plus any administrative fee charges by the provider in conjunction with the misuse and will be subject to appropriate disciplinary action. (See liability on Page 7)

MAKING A PURCHASE

1. Procurement procedures permit a purchase of goods or services valued at \$1,000 or less from a “vendor of choice.” Although this procedure does not require the requisitioner to compare sources or seek competition between vendors, he or she should always seek competition and the lowest prices within the parameters of quality and delivery. Accordingly, whenever a procurement card purchase is made, the cardholder will check as many sources of supply as reasonable to the situation to assure the best price and delivery. Where possible, the Purchasing Department will establish pricing agreements and identify the preferred suppliers.
2. Cardholders will utilize the following “checklist” when making a purchase.
 - A. Check the contract list provided by Purchasing to see if vendors and prices have already been established for the required goods. If not, solicit a reasonable number of sources. If vendors furnish standing price quotations or catalog prices on a recurring basis, check that the price listed is current.
 - B. Once a vendor is determined and that vendor confirms that the good of service is available, meets the specifications and delivery requirements, etc., take the following steps:
 - 1) Confirm that the vendor agrees to accepting Master Card.
 - 2) Direct the vendor to include the following on the shipping label and packing list:
 - * Cardholder’s name and telephone number
 - * Complete delivery address
 - * The words “Pro-Card Purchase”
 - * The vendor’s order number
 - 3) It is extremely important that all purchases be sent to the Cardholder ordering the merchandise to ensure that the documents necessary for the record keeping are readily available to the Cardholder.
 - 4) If necessary, advise the individual within your agency who receives merchandise of the vendor’s name and order number, anticipated delivery date, number of cartons expected, carrier (UPS, Fed Ex, etc.). Also, have them notify you (the Cardholder) when delivery is made.

CARDHOLDERS RECORD KEEPING

1. Whenever a procurement card purchase is made, either over the counter, online, or by telephone, documentation (receipts, order confirmations, etc.) shall be retained as proof of the purchase. Such documentation will be used to verify the purchases listed on the Cardholder's monthly statement of account.
2. When the purchase is made over the counter, the cardholder shall retain the invoice and "Customer Copy" of the charge receipt. Prior to signing this slip, the Cardholder is responsible for making sure that the vendor has listed the quantity, described the item(s), and has excluded sales tax on the charge slip.
3. When making a purchase by telephone, the Cardholder shall document the transaction and request that a receipt or invoice be delivered via email or with the product.
4. When the goods or services are received as a result of placing the telephone order. Retain all shipping documentation.

REVIEW OF MONTHLY STATEMENT

1. At the end of each billing cycle, the Cardholder will receive a monthly statement from the provider that will list the Cardholder's transaction(s) for that period.
2. The Cardholder shall check each transaction listed on the statement, against their, receipts, invoices, credit memos, and shipping documents to verify the monthly statement.

The original sales documents (packing slip, invoice, cash register tape, credit card slips, etc.) for all items on the monthly statement must be scanned into the Munis ERP system, line for line sequence, matching the statement. This data attachment is critical to enable audit substantiation. **If this routine is not adhered to, the procurement card privileges may be temporarily suspended or revoked.**

The careful matching of complete support documents, to the statement is vital to the successful use of this program. Acceptable receipts shall include a description of the item and pricing matching the charges listed on the statement. Note: Printouts of online "shopping carts" do not always match the charges listed on the statement if items are shipped separately or are backordered. Online vendors typically will send a charge invoice or shipping confirmation listing the actual charges for each shipment.

After this review, the Cardholder shall process the statement in the Munis ERP system and assign the proper Org, Object, and/or Project codes and descriptions. Munis processing shall be completed within 14 days after the Finance Department emails a notification the monthly statement is loaded. **If this deadline is not adhered to your procurement card privileges may be temporarily suspended or revoked.**

3. The approving supervisor shall check the Cardholder's monthly statement in the Munis ERP system and confirm with the Cardholder the following items:

- Original receipts, credit memos, and shipping documents exist for each purchase and are scanned properly on the statement screen in the order of the statement.
 - The goods were received or the services were performed.
 - The Cardholder has complied with applicable procedures, including this Procurement Card procedure.
4. Sales Tax – If sales tax is charged on an item, the Cardholder shall contact the vendor for a refund of the tax and include documentation scanned with the original receipt that a sales tax refund has been requested and a credit is pending.
 5. If the Cardholder does not have documentation of a transaction listed on the monthly statement, they must scan and attach an explanation that includes a description of the item(s) purchased, date of purchase, vendor's name, and reason for lack of supporting documentation.
 6. If purchased items or credits are not listed on the monthly statement, the appropriate transaction documentation shall be retained by the Cardholder until the next monthly statement. If the purchase or credit does not appear on the statement within 60 days after the date of purchase, the Cardholder or approving supervisor shall notify the Purchasing Department. Do not accept a refund in cash or check format.
 7. Merchandise Returns – If an item is not satisfactory, is received damaged and/or defective, duplicate order, etc., the Cardholder should make contact with the vendor to explain the problem and inquire about return policies.

If an item has been returned and a credit voucher received, the Cardholder shall verify that this credit is reflected on the monthly statement.

If items purchased by the use of the procurement card are found to be unacceptable, the Cardholder is responsible for obtaining replacement or correction of the item as soon as possible. If the vendor has not replaced or corrected the item by the date the Cardholder receives their monthly statement, then the purchase of that item will be considered in dispute.

8. If the Cardholder has a problem with a purchased item or billing resulting from the use of the Procurement Card, first try to resolve it with the vendor that provided the item. In most cases, disputes can be resolved directly between the Cardholder and the supplier. If the Cardholder is disputing a charge or an unresolved issue, complete a Dispute Form and include it with the statement package.

CARD SECURITY

1. It is the Cardholder's responsibility to safeguard the procurement card and account number to the same degree that a Cardholder safeguards their personal credit card.

The cardholder must not allow anyone to use their account number. A violation of this trust will result in Cardholder having their card withdrawn and disciplinary action.

2. If the card is lost or stolen, the Cardholder shall immediately notify the provider, JPMorganChase, at 800-316-6056. Representatives are available 24 hours a day. The Cardholder must advise the representative that the call is regarding a Master Card Procurement Card.

The Purchasing Department must also be notified immediately.

3. A new card shall be promptly issued to the Cardholder after the reported loss or theft. A card that is subsequently found by the Cardholder after being reported lost shall be destroyed.

CARDHOLDER SEPARATION

1. Prior to separation from the County, the Cardholder shall surrender the Procurement Card and current supporting documentation to their approving Supervisor. Upon its receipt, the Approving Supervisor will review, approve, and forward to the Purchasing Department the month-end procurement card statement and send the card to the Purchasing Department.
2. If the Cardholder transfers to another County Agency, follow the same procedure noted above. In the event the new position also requires a procurement card, a new card will be issued.

PERSONAL LIABILITY AND YOUR CREDIT RATING

The use of the Procurement card results in County liability, **not a personal liability for the cardholder**. Your credit rating will not be affected. However, remember that you signed an agreement with the County prior to receiving the card and as such you are responsible for any misuse of the card as outlined in the training and Policies and Procedures Manual.