



Marinette County

Purchasing Card Procedures Manual

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OVERVIEW

The Finance Department maintains the Purchasing Card to be the County's main method of payment, and encourages all Departments to use Purchasing Cards for purchases when possible. The Purchasing Card Program was established to provide a more rapid turnaround of purchases and to reduce paperwork and handling costs. The process of price inquiry, order placement, delivery of goods, invoice, voucher review, and payment cycle is greatly reduced when Purchasing Cards are used. Employees who are issued Purchasing Cards may initiate transactions in-person, by telephone, or by internet within the limits of these procedures to receive goods or services. Payments to Merchants are made via the County's weekly settlement with the credit card company.

All Cards are issued at the request of a department supervisor/manager, and Card usage may be audited and/or rescinded at any time.

This document provides the guidelines and procedures under which a Marinette County Purchasing Card may be utilized. A Cardholder's signature on the Cardholder Agreement indicates their understanding of the program and their agreement to adhere to the guidelines and procedures established.

DEFINITIONS

- **MERCHANT**
A Merchant is a company from which a Cardholder is purchasing materials, equipment, or services under the provisions of these procedures.
- **CARDHOLDER**
Cardholders are personnel who have been issued Purchasing Cards and are authorized to make purchases in accordance with these procedures.
- **PURCHASING AGENT**
The Purchasing Agent shall be the Department Head of each County department or his/her designee, unless otherwise re-appointed by the County Administrator. The Purchasing Agent is the individual authorized to approve Cardholders and credit card limits, approve payments, and monitor the Purchasing Card activities of the Cardholders in their department or a division of a larger department.
- **FINANCE DEPARTMENT**
The Finance Department is the person responsible for the administration of the program including: review of transactions, attachments, account coding, and approvals; making sure procedures are being followed. This person is also responsible for: adding and deleting Cardholders, changing credit limits, importing information into the Munis program, processing payments to the credit card company, reconciliation, rebate tracking, training of staff, and help with disputes or questions on credit card transactions.

NEW CARD REQUESTS

To request a Card, the Marinette County P-Card Employee Agreement form must be filled out and signed by the Department Coordinator or Department Head. The form must be forwarded to the Finance Department for approval and processing. The form can be found in the Financial Forms Folder on the Marinette County Intranet.

The Purchasing Card will be issued with the Cardholder's name embossed on it. When an employee receives a new Card, the employee, must sign the back of the Card and always keep it in a secure place. Although this Card is issued in the employee's name, it is the property of the County and should only be used for County purchases as defined in this document.

The Cardholder may make transactions on behalf of others in the department; however, in order for another person to use the Card at a retail location, they should bring a written permission statement from the Cardholder. Ultimately, the Cardholder is responsible for all use of his/her Card.

Purchasing Cards can also be issued in a Department's name. A designated employee will keep a sign in and out list for employees using a Department Card. Employee's must have a County ID with them and present it when making purchases on a Department Card. It is recommended that Department's use "Department Cards" in lieu of individual employee cards, as it reduces the amount of credit liability for the County.

CARD USAGE

The Purchasing Card Program is designed to reduce use of petty cash or cash advances for small dollar purchases, requests for checks, unscheduled check writing, purchase order processing, and use of personal funds reimbursed by expense reports.

Each Card has been assigned an approved monthly credit limit. The credit limits reset on the 15th of the month. The credit limit is based on a Cardholder's previous purchasing activity. If the limit needs to be increased, please contact your Department Head/Purchasing Agent. If your Department Head/Purchasing Agent is in agreement that it would be appropriate to change the limit, he/she should contact the Finance Department to adjust the limit.

Employee's making purchases should always ask the company if they take credit cards as a method of payment. If an invoice is received marked "Credit Card Accepted", the Merchant should be called to make payment using a Purchasing Card.

The Card is not to be used for personal use. A Cardholder who makes unauthorized purchases or carelessly uses the Purchasing Card may lose the privilege of future card use and may be liable for the total dollar amount of such unauthorized purchases plus any administrative fees charged by the credit card company in connection with the misuse. The Cardholder will also be subject to disciplinary action.

Merchandise category codes (MCC) are assigned to merchants based on the nature of their business. Restrictions have been established for all Cardholders to limit the types of merchants that can be used. For example, Cards may not be used for liquor purchases or for cash advances.

The Marinette County Purchasing Card can be used for pick-up, call-in, mailed, faxed or online orders at any supplier or service provider that accepts credit cards with the exception noted in the preceding paragraph. The card should be presented when picking up merchandise or the card number and expiration date given for all other orders.

EXAMPLES WHERE PURCHASING CARDS ARE PROHIBITED:

- Computer equipment or software (unless approved by the Information Systems Department **prior** to purchase)
- Telephone equipment or services (unless approved by the Information Systems Department **prior** to purchase)
- Any product or service normally considered to be an inappropriate use of company funds, including purchases for personal use.
- Any meal purchase. Meal purchases must be paid by the employee. An Employee Expense Statement should be submitted for reimbursement.

TRAVEL EXPENSES

The Cards may be used for travel expenses authorized under Section 1.11 of the Marinette County Policies and Procedures Manual. The Cards may be used to make hotel and other travel reservations. Room charges and airfare reservations (see below) can be made with the Card as long as the charges and amounts are in compliance with the Marinette County Policies and Procedures Manual. If using the purchasing card for travel related expenses (registration, lodging, airfare, and car rental) an explanation must be provided for the purpose of each item of the business expense. Provide all of the information that would need to be included on the “employee expense statement”. For example:

- **REGISTRATION**
Include the description of the seminar or training session, course outline, location.
- **LODGING, AIRFARE, CAR RENTALS, OTHER TRAVEL EXPENSE**
When reserving a hotel room, inform the reservation staff of our tax exempt status and request the Purchasing Card be used to hold the room only.

The Card may NOT be used for purchases of fuel for a PERSONAL automobile.

The Card may NOT be used for travel expenses that would not normally be reimbursed by the County; such as movies charged to a hotel room, alcoholic beverages, any meals, or any charges for spouses or guests that may be accompanying an employee on a trip. These types of charges are not reimbursable expenses and should not be put on the County Purchasing Card. If these types of un-reimbursable charges are incurred, the employee must either have the hotel or restaurant separate the charges so pay only the appropriate County charges with the Card and pay the other charges either with cash or a personal credit card or pay the entire bill with cash or a personal credit card and submit an Employee Expense Statement to request reimbursement for the authorized expenses.

P-CARD CHARGES

The Cardholder or the designated Department Coordinator will need to attach receipts, review, account code, and approve all P-Card charges from the prior week in the Purchase Card Statements found in Munis. This information must be completed every week by the end of day on Wednesday.

The **original sales document** (such as packing slip, invoice, cash register tape, and purchasing card charge slips) for all items listed on the P-Card transaction must be scanned and attached in Munis. The Purchaser will verify service or materials were received in acceptable form by initialing, dating, and writing the account number on the document.

If the document is received in electronic format the Purchaser does not need to initial and date. All transactions must have an attachment unless specifically approved by the Finance Department.

(Examples of acceptable transactions without receipts are Amazon, Barnes & Noble, B Dalton book orders for the Library, as it has been deemed too labor intensive to attach a receipt for every charge.)

If the Cardholder does not have documentation of a transaction listed on the report, he/she shall attach an explanation that includes a description of the item(s) purchased, date of purchase, Merchant's name and a reason for the lack of supporting documentation.

If purchased items or credits are not listed in the weekly transactions, the appropriate transaction documents shall be retained by the Cardholder until the transaction is available in Munis. If the purchase or credit transaction does not appear on the statement within sixty days of the date of the transaction, the Cardholder shall notify the Finance department.

The Department Coordinator shall check the Cardholder's transactions to confirm that the transactions meet the following minimum requirements:

- Receipts are attached. All receipts require a signature, date of signature, and account number written on them.
- The goods were received or the services were performed.
- The Cardholder has complied with applicable procedures, including all procedures listed here.

By entering the account number and attaching the documentation in Munis, the Department Coordinator indicates that the Cardholder was authorized to make those purchases and those purchases were made in accordance with the applicable procedures.

The Finance Department will review the Purchasing Card transactions for proper account coding and signed attachments prior to posting. Receipts may be attached after posting.

PURCHASING CARD RETURNS

If an item is not satisfactory (such as received wrong, damaged and/or defective, or duplicate order), the cardholder should make contact with the Merchant 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 transaction is applied to the account in Munis. Any item purchased with the Purchasing Card that is returned must be returned for credit. Refund must not be received in cash or check form.

If items purchased by use of the Purchasing Card are found to be unacceptable, the Cardholder is responsible for obtaining replacement or correction of the item as soon as possible. If the merchant has not replaced or corrected the item within 30 days, then the purchase of that item will be considered a dispute.

INACCURATE CHARGES

If a Purchasing Card transaction does not correlate with the receipt, the Cardholder should contact the Merchant to try to resolve the error. If the Merchant agrees that an error has been made, they should make a transaction to correct the error. The original transaction will still need to have an attachment and account coding in Munis. The attachment should also have an explanation of the error and what is the anticipated resolution.

If the Merchant does not agree that an error has been made, contact the Finance Department to file a dispute with the credit card company. Any disputed charge must be identified within 60 days of the transaction. Disputes will then be resolved by the credit card company within 90 days.

LOST OR STOLEN CARDS

The Purchasing Card is considered County property and should be kept in a secured place. If a card has been lost or stolen, notify the Finance Department, who will contact the credit card company immediately. Prompt action in these circumstances can reduce the company's liability for fraudulent charges. The Card will be blocked from further transaction after notifying the credit card company.

A new card shall be issued to the Cardholder after the reported loss or theft. A card that is subsequently found by the Cardholder after being reported lost should be returned immediately to the Finance Department.

SALES AND USE TAX

When using the Purchasing Card the employee is responsible for informing the Merchant to not include sales tax on the purchases made. Marinette County's Tax Exempt (CES) number is **057302**. The Marinette County Sales & Use Tax Exempt Certificate can be found in the Financial Forms Folder on the Intranet.

If sales tax was charged on a transaction, contact the Merchant to have the sales tax credited back to the account. A note should be made on the transaction attachment that the Merchant was contacted, the contact's name, the date and the time. Watch for the credit on the subsequent statement and follow up with the Merchant as necessary.

(The Marinette County Sales & Use Tax Exempt Certificate can be found in the Financial Forms Folder on the Intranet.)

MERCHANTS NOT ACCEPTING THE CARD

All current Merchants should be considered a potential supplier for the Purchasing Card Program. If one of the suppliers does not accept the Card, an employee may choose to purchase from another Merchant or use another method of payment.

CARDHOLDER SEPARATION

Prior to separation from the County, the Cardholder shall surrender the Purchasing Card to his/her Department Coordinator. Upon its receipt, the Department Coordinator will review, approve and attach documents for all current transactions. The Card shall then be given to the Finance Department to close the account.