

Polk County

Procurement Card, Fuel One Card & Employee Reimbursement 2011 Manual

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Polk County Procurement Card Manual

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General Program Policy and Procedures

Welcome to Polk County's Procurement / Fuel One Card Program!

The Procurement & Fuel One Card Manual is a guideline for the credit card program. It contains detailed information that management, individual cardholders and procurement specialists need to make the program work effectively and efficiently.

Each department is responsible for the program within its respective area, and shall submit reconciled card statements to the Department of Administration for timely payment.

General Program Policy and Procedures

The purpose of this manual is to establish protocols that prescribe the use of County-issued credit cards provided to authorize personnel to make the purchase of goods and/or services for the County.

General Program Overview

This program was established to provide a more rapid turnaround of requisitions for **low-dollar** value goods and to reduce paperwork and handling costs. By using the County Procurement Card, you dramatically shorten the traditional requisition process. Procurement specialists and individuals who are issued credit cards may now initiate transactions in-person, by telephone or internet to receive goods. Payments to vendors are made via the Visa settlement system. Accounts Payable will make periodic settlements with the credit card bank.

Definitions

Approving Authority: The Department Representative who will review and approve a cardholder's monthly statement.

Card: Visa Business Card, Polk County Procurement Card.

Cardholder: Personnel who have been issued a credit card and who are authorized to make purchases in accordance with county procedures.

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

Meal: Any of the regular occasions such as breakfast, lunch or dinner where food is served. Each occasion is considered one swipe limited to three swipes daily.

Monthly Statement: Monthly detailed listing of all transactions made by the procurement specialist/cardholder issued by the credit card bank.

Purchase Limit: A dollar amount of \$2,000.00 limitation of purchasing authority delegated to a cardholder. Any individual purchase over \$500 at any one time needs approval from the Finance manager before the purchase is made. At this time, a W9 will be needed before purchase.

Purchaser: An employee/ procurement specialist who has been assigned a Procurement Card.

Swipe: One sales transaction.

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

Receiving a Procurement Card

1. Department Heads may authorize one to two personnel to be procurement specialists by contacting the Department of Administration. Contact Tammy Peterson X8212 or by email at tammy.peterson@co.polk.wi.us.
2. The procurement specialists and/ or cardholder will be issued a copy of the procedure manual and will be required to sign a Cardholder Enrollment Form and Employee Agreement. This agreement indicates that the procurement specialists and/ or cardholder understand the procedure and the responsibilities of a procurement specialists and/ or cardholder. The enrollment form includes all the information needed to register the procurement specialists and/or cardholder in the credit system. Department of Administration will provide training and education necessary.
3. The procurement specialists will 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 procurement specialists and/ or cardholder receives will have either their name embossed on it or department and shall be used only by the procurement specialists and/ or cardholder. **No other person is authorized to use that card.** The procurement specialists and/ or cardholder are ultimately responsible for all charges associated with the procurement and fuel one 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 \$2,000.00 purchase limit. Payments **are not** to be split into multiple transactions to stay within the assigned purchase limit.
 - The County's Purchasing, Credit Card, and Business Travel and Expense Reimbursement Policy must be adhered to as well.
 - The individual cardholder should not allow anyone to use their account number.
 - The procurement specialists will be making hotel reservations, purchasing small emergency office supplies, and registration if need be.

Unauthorized Procurement Card Use

The procurement card **should not** be used for any of the following:

- * Legal Services
- * Ammunition
- * Non-business/personal
- * Radioactive materials
- * Insurance
- * Monthly operational billing
- * Casual purchases outside meal (ie. Coffee, rolls, gum, candy)
- * Alcoholic beverages, tobacco, drugs, or pharmaceuticals
- * Consulting Services
- * Capital equipment
- * Cash advances (ATM machines)
- * Telephone call/mo. charges
- * Non meal refreshments

Note: A procurement specialists or cardholder, who makes unauthorized purchases or carelessly uses the procurement or fuel one card, may be liable for the total dollar amount of such unauthorized purchases plus any administrative fees in conjunction with the misuse and will be subject to appropriate disciplinary action or termination of employment. (See liability on Page 7)

Making a Purchase

1. Procurement procedures permit a purchase of goods or services from a “vendor of choice.” Accordingly, whenever a procurement card purchase is made, the procurement specialist /cardholder should check as many sources of supply as reasonable to assure the best price and delivery. Questions contact Tammy Peterson at X8212 or by email tammy.peterson@co.polk.wi.us.
2. Procurement specialists or cardholders will utilize the following “checklist” when making a purchase.
 - A. 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 confirms that the goods or services are available, meets the required specifications and delivery timeframe, etc., take the following steps:
 - (1) Confirm that the vendor agrees to accept the Visa Business Card.
 - (2) Provide the County Sales Tax Exempt certificate when required.
 - (3) It is extremely important that all purchases be sent to the procurement specialists or cardholder ordering the merchandise at the address of the respective department and this will ensure that the documents necessary for the record keeping are readily available to the procurement specialists.
 - (4) If necessary, advise the individual within your department who receives merchandise of the anticipated delivery date, number of cartons expected,

carrier (UPS, Fed Ex, etc.). Have them notify you - the procurement specialists or cardholder - when delivery is made.

- (5) Purchase Limits – Any individual purchase over \$500 at any one time needs approval from the Finance manager before the purchase is made.

Cardholders Record Keeping

1. Whenever a procurement card purchase is made, over the counter, by telephone, or internet the original documentation will be retained as proof of the purchase. Such documentation will be used to verify the purchases listed on the procurement specialists or cardholder monthly statement. Questions contact Tammy Peterson X8212 or tammy.peterson@co.polk.wi.us.

Note: Original documentation must be itemized and show a complete bill and remit to name and address, date of service, description of service rendered or products received, and costs of all items purchased.

2. When the purchase is made; prior to signing the slip, the procurement specialists or 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. This documentation (receipt) will need to accompany the monthly statement for payment.
3. When making a purchase by telephone or internet, the procurement specialists or cardholder is responsible to **print a receipt or email confirmation.**

Review of Monthly Statement

1. At the end of each billing cycle, the procurement specialists or cardholder will receive a monthly statement listing the procurement specialists or cardholder's transaction(s) for that period.
2. The procurement specialists or cardholder shall check each transaction listed against their purchasing log, receipts, and any shipping documents to verify the monthly statement.

The Original sales documents (invoice, packing slip, cash register tape, credit card slips, etc.) for all items on the monthly statement must be neatly attached to their monthly statement. The data attachment is critical to enable audit substantiation. **If this routine is not adhered to, the procurement or fuel one card privileges will be revoked.** The careful matching of complete support documents to the log, and then to the statement, is vital to the successful use of this program.

Note: A procurement specialists or cardholder who does not provide the documentation required may be liable for the total dollar amount, disciplinary action or loss of card.

3. The monthly statement, documentation, mileage and gas log form and account numbers need to be forwarded to the Department Head or Representative for review and approval.
4. The Approving Manager is responsible to assure the purchase(s) are appropriate on each cardholder's monthly statement and confirm with the Cardholder the proper documentation is included:
 - All **Original Itemized Receipts** are attached as documentation of purchase.
 - The goods were received or the services were performed.
 - The Cardholder has complied with applicable procedures.
 - Mileage, gas and maintenance log sheet.

Note: The reimbursement for travel mileage shall only apply in those instances where a county vehicle was unavailable for travel, or, in the determination of the supervising authority, usage of a county vehicle was impractical.

After this review, the Approving Manager shall approve the statements; submit all of their department's statement to the Department of Administration, Accounts Payable for payment by the 18th of each month by 4:00 PM. If the 18th falls on Saturday, Sunday or Holiday the due date is then the next business day.

5. If the procurement specialists or cardholder does not have documentation of a transaction listed on the monthly statement, they are required to contact the vendor to obtain the required documentation.
6. If purchased items or credits are not listed on the monthly statement, the appropriate transaction documentation shall be retained by the procurement specialists or cardholder until the next monthly statement. If the purchase or credit does not appear on the statement within 30 days after the date of purchase, the Cardholder or Approving Manager shall notify Accounts Payable. Never accept a refund in cash or check format.
7. Merchandise Returns – If an item is not satisfactory; is received damaged or defective, duplicate order, etc., the procurement specialists or cardholder should make contact with the vendor to explain the problem and follow the proper procedure to return the item(s) to receive a credit.

The procurement specialist /cardholder are responsible for obtaining replacement or correction of the item as soon as possible. If the vendor has not corrected the situation by the date the Cardholder receives their monthly statement, then the purchase will be considered in dispute.

If an item has been returned and a credit voucher received, the procurement specialist / cardholder shall verify that this credit is reflected on the monthly statement and include this documentation with the monthly paperwork sent to Accounts Payable.

8. If the procurement specialist /cardholder have a problem with a purchased item or billing, first try to resolve it with the vendor. In most cases, disputes can be resolved directly between the procurement specialist /cardholder and the supplier.
9. If the procurement specialist /cardholder is disputing a charge or has questionable activity contact the Fraud Department at 1-800-523-9078 right away. Any paperwork required from the Fraud Department must be copied and forward to them along with a copy to the Department of Administration. Questions contact Tammy Peterson X8212.

Monthly Account Statements

Monthly Account Statements, listing all transactions, will be issued by the bank to the Coordinator and Approving Managers. This will allow the Approving Managers to track their procurement specialists or cardholder purchasing activities.

More than two (2) reminders in a six (6) period to a Cardholder that a monthly statement is delinquent will be grounds for withdrawing the procurement card from that user.

Card Security

1. It is the procurement specialists or cardholder responsibility to safeguard the procurement card /fuel card and account numbers to the same degree that a Cardholder safeguards their personal credit card.
2. If the card is lost or stolen, the procurement specialist /cardholder shall immediately notify the **credit card bank at 1.800.346.5538**. Representatives are available 24 hours a day. The procurement specialist /cardholder must advise the representative that the call is regarding a Business Visa Procurement Card or Fuel One Card.

The Department of Administration must also be notified immediately.

3. A new card shall be promptly issued to the procurement specialists or cardholder after the reported loss or theft. A card that is subsequently found by the procurement specialist /cardholder after being reported lost shall be returned to the Department of Administration.

Cardholder Separation

1. Prior to separation from the County, the cardholder will surrender the Procurement Card, current procurement card purchasing log, and documentation to their Approving Manager. Upon its receipt, the Approving Manager will review, approve, and forward the documentation and card to Accounts Payable.

2. If the cardholder transfers to another County Department, follow the same procedure noted above.

Annual Review of Active Cards

The Department of Administration shall review the activity on all active cards at anytime if the procurement specialist /cardholder has not used the card within one year it will be cancelled. An email or letter will be forwarded to the Department Head which will then be responsible to return the card to the Department of Administration within five (5) days.

Personal Liability and Your Credit Rating

The use of the Procurement card/ Fuel One Card results in County liability, **not a personal credit rating 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, County Policies and the procedures manual.

Additional Bookkeeping Items:

Overnight Meals: All overnight meal receipts must be clearly marked “OVER NIGHT” on them.

Non-Overnight Meals: All meal receipts for non-overnight meals needs to state “IN COUNTY” or “OUT OF COUNTY”.

Note: If the meal receipt is not marked it will be forwarded onto payroll for taxable purposes.

Uniform Allowance Expenses: If the expense does not fit the IRS regulations as deductible expense, then the expense will be taxable through payroll.

Once any of the above expenses have been determined taxable, you must provide a document that shows employee ID, employee name, short description, date of purchase, amount charged, along with the monthly statement. Include your name and extension for questions.

See example:

US Bank Credit Card				
John Doe X9999				
Taxable Non-Overnight meals/Uniform Allowance purchases				
ID	Employee Name	Description	Date	Amount
111	Jane Doe	Lunch @ McD's	3/30/10	\$7.50
112	John Doe	Steel toe boots	3/30/10	\$50.00
Grand Total				\$57.50

Small Business Charge Accounts – The security of these charge accounts is immeasurable for auditing purposes. Using local charge accounts shall be withdrawn with only a few exceptions approved by the Finance Manager.

Committee and Department Meetings: Meals or refreshments will not be allowed.

Meals at Training for Non-Employees & Employees: Meals and refreshments at training and educational events shall be approved when covered by grant funding where there is outside funding for reimbursement of expenditures. Or when a published event with a registration fee covers the meal and/or refreshments. Any documentation of the event along with the receipt must be provided to the Department of Administration. Most training and educational event meals are not taxable.

Refreshments for open houses and retirements: Must be non-meal and reasonable. The event must be published to the public. Any documentation of the event must be provided along with receipt to the Department of Administration.

Employee Expense Reimbursements

When a credit card is not used for a purchase an **itemized receipt** along with the Employee Expense Reimbursement form shall be filled out and brought to the payroll department. **All itemized receipts turned into the payroll department will follow the same standards as if a credit card was used.**

Note: The reimbursement for travel mileage shall only apply in those instances where a county vehicle was unavailable for travel, or, in the determination of the supervising authority, usage of a county vehicle was impractical.

IF YOU HAVE ANY QUESTIONS, Contact Tammy Peterson X8212 or by email at tammy.peterson@co.polk.wi.us.

THANK YOU!