

PURCHASING CARD POLICY

PURPOSE

It has been determined that there are some situations when a credit card is beneficial for Richland County. Situations that a credit card may have to be used are to purchase materials or service with costs less than \$_____ including shipping and handling.

- promptly paying suppliers
- reducing overall processing costs
- decentralizing purchasing responsibility
- Providing easy access to obtaining supplies and services
- unanticipated expenses
- unplanned travel needed

Due to the dollar restrictions that are on meals, there ***should not be any charging of meals*** on the credit card with the exception of the Sheriff Dept. for meals for emergency purposes only. The total credit card limit for the county is currently at \$_____ with review by the Finance and Personnel Committee at various times to make sure it is meeting the needs of the county.

PROCEDURES

All cards are the property of Richland County and each card will be issued in the name of the authorized cardholder. Before issuing a credit card the person must read and sign a credit card agreement/policy and supply appropriate personal information on the application (Exhibit A).

- Employees must abide by the terms of the agreement/policy.
- Richland County has a total limit of \$_____ that is not to be exceeded by the collective purchases of the individual cardholders.
- Each department head will be authorized one card.
- Other authorized users will need approval from the Administrator.
- The Sheriff will have the designated employees, authorized by the Administrator, that will be authorized to have credit cards to be used for unanticipated expenses.
- There are to be no personal amounts charged to the credit card, only county related purchases.
- Meals ***shall not*** be paid for with the credit card with the exception for the Sheriff's Dept. for emergency use.
- Cash transactions will not be authorized with this credit card.
- Itemized receipts must be turned in to substantiate the cost on the credit card transaction with the monthly bill or upon request, so that it may be matched up with the billing.
- Full payment of the credit card needs to be made timely each month in order not to incur interest charges.
- Credit Card usage is intended for unanticipated expenses and not for ordinary everyday purchases.
- All charges will be audited by the Accounting Supervisor or his/her designee when payment is submitted.
- Finance and Personnel Committee and the supervising committee have the right to review all credit card transactions.

APPENDIX A

General Policy Guidelines

Section 1

Cardholder Definitions:

The Department head is the "Cardholder". Financial Transaction Cards are issued at the discretion of the Richland County Administrator to the Richland County Department Heads and Sheriff's Department for uses specified in Section 2. Additional persons may be added if further need for the cards is deemed necessary by the County Administrator.

Ownership and Cancellation of the Financial Transaction Card:

The Financial Transaction Card remains the property of the issuing financial institution. It may not be transferred to, assigned to, or used by anyone other than the designated Cardholder. The issuing financial institution or the County may suspend or cancel Cardholder privileges at any time for any reason. The Cardholder will surrender the Financial Transaction Card upon request to the Financial Transaction Card Administrator or any authorized agent of issuing financial institution. Use of the Financial Transaction Card or account after notice of its cancellation may be fraudulent and may cause the County to take legal action.

Spending Limits:

The Financial Transaction Card Account has pre-set spending limits, which may not be exceeded under any circumstances. The financial Transaction Card may be used whenever and wherever possible for charging materials and selected services costing less than \$_____ (including shipping and handling). NO PERSONAL EXPENSES ARE TO BE CHARGED TO the Financial Transaction Card.

Financial Transaction CARD Abuse:

Abuse of the Financial Transaction Card will result in revocation of the Card and appropriate disciplinary action, which may include termination. Policy violations include, but are not limited to:

- Purchasing items for personal use
- Exceeding bank credit line limit
- Utilizing the Financial Transaction Card for purchases of \$_____ or more unless authorized by the County Administrator.
- Using the Financial Transaction Card for entertainment purposes
- Failure to return the Financial Transaction Card when reassigned, terminated, or upon request
- Failure to submit proper documentation to Accounts Payable

Usage:

Approved usage is for conducting official county business such as authorized purchases and fees. Personnel issued the Card will submit all receipts associated with the Card use along with the appropriate expense report to their supervisor/department head for approval and audit purposes.

Receipts:

It is the Department Head or authorized users' responsibility to obtain detailed transaction receipts from the merchant or supplier each time the Financial Transaction Card is used. Each month, the Cardholder **must print off an activity statement** from the issuing financial institution and said statement shall be provided to the Accounts Payable Clerk for preparation to be audited by the Audit Committee.

Individual transaction receipts are to be attached to this monthly activity report and submitted to the authorized user's department head/supervisor for review and approval.

Disputed Items:

It is the Financial Transaction CARD Cardholder's responsibility to follow-up on any erroneous charges, returns, or adjustments and to ensure proper credit is given on subsequent statements.

Protecting the Financial Transaction-Card:

The Financial Transaction Card is valuable property, which requires proper treatment by the Cardholder to protect it from misuse by unauthorized parties.

Validation/Safekeeping:

Sign the Financial Transaction Card immediately upon receipt. When the expiration date has passed and/or after you have received a new Financial Transaction Card, return the expired card to the Administrator Office for disposal. Make sure the Financial Transaction Card is returned to you after each charge and verify that the returned Card has your name on it.

Lost/Stolen Financial Transaction Cards:

If the Financial Transaction Card is lost or stolen, contact the Financial Card's 24-hour toll free number at **1-(800)-344-5696**. The Cardholder is also required to contact their immediate department head/supervisor. The Cardholder shall also submit a written report detailing the circumstances involving how the Card was lost / stolen. The recipients of any county card shall sign an acknowledgement of this policy.

Section 2**Sheriff's Department Additional Policy Guidelines General:**

Financial Transaction Cards may be issued to named individuals and their usage is subject to the General County Policy except for the exceptions listed below. Financial Transaction Cards are issued at the discretion of Richland County Sheriff's Department to Richland County Sheriff's Department employees, at the Administrator's approval, in permanently allocated positions. Said cards shall all be on the same one account.

Usage:

Approved usage is for conducting official county business such as emergency meals (as authorized by the Sheriff or his/her designee), fuel, Hotel/ Motel or other authorized purchases. Personnel issuing the Card will submit all receipts associated with the Card use along with the appropriate expense report to their supervisor for approval and audit purposes.

Receipts:

It is the Financial Transaction Card Cardholder's responsibility to obtain detailed transaction receipts from the merchant or supplier each time the Financial Transaction Card is used. Each month, the Sheriff's Department/Cardholder must download an activity statement from the issuing financial institution. Individual transaction receipts are to be attached to this monthly activity report and submitted to the Cardholder's department head/supervisor for review and approval. Following department head/supervisor approval, the activity report, and receipts must be forwarded thorough the Law Enforcement Committee to the Accounts Payable Clerk, to prepare for additional audit.

The recipients of any county card shall sign an acknowledgement of this policy.

Acknowledgement:

The undersigned Financial Transaction Card Cardholder applicant and Department Head request that a Financial Transaction Card be issued to the applicant. This applicant has read the above agreement and guidelines and agrees to be bound by their terms and conditions.

Financial Transaction Cardholder Applicant

Date

Department Head/Supervisor if different than above

Date

Administrator

Date

Financial Transaction CARD Cardholder Applicant and Department Head / Designee

- Complete Application
- Retain one copy each of Agreement/Application
- One copy will be placed in the Financial file