

**GRAND FORKS COUNTY
POLICY MANUAL**

POLICY NO. 105-21

Eff. 6/21/11

PURCHASING CARD POLICY

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General Policy

The purpose of our purchasing card program is to simplify the purchasing process for small dollar purchases. Individual credit limits, including card and cycle limits, vary as determined by the Department Manager. To assure the effectiveness of the program, the policy and procedures in this section must be followed by departments using the purchasing card. Failure to use the purchasing card in accordance with applicable policies and procedures may result in revocation of the purchasing card and may involve appropriate disciplinary action, up to and including termination and prosecution. Policy and procedure violations include, but are not limited to:

- Purchasing items with the card for personal use.
- Failure to return the card when reassigned, terminated, or upon request.
- Failure to submit proper transaction documentation to the appropriate person in a timely manner.
- Transferring assignment of the card to another individual.

Cardholders will be required to sign a “Cardholder User Agreement” form. By signing the agreement form, cardholders agree to adhere to the guidelines established in this Policy Manual.

Once an employee is issued a purchasing card they will not be allowed to use a personnel credit card for county purchases.

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Limitations and Restrictions:

Department Managers will assign a monthly credit limit to each individual assigned a purchasing card. They may also assign a single transaction limit. If a cardholder attempts to purchase over their limitation the purchase will be blocked.

Certain merchants will be blocked (e.g., jewelry stores), if a cardholder attempts to use the card at such a merchant, the purchase will be declined.

Authorized Purchases:

The purchasing card program is intended for maintenance, repair, operating and other purchases needed during the course of business. Purchases may include:

- Office supplies and forms
- Books and subscriptions
- Computer supplies
- Membership dues
- Hardware and tools
- Equipment and vehicles
- Travel (airline tickets and motel rooms)
- Misc. items

The card may be used for in-store purchases as well as phone, internet, fax, or mail orders.

Responsibilities:

The cardholder is responsible for the following:

- Safeguard the purchasing card
- Keep receipts for each purchase
- Receive cardholder statement from card company

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- Reconcile cardholder statement and receipts. Sign and date cardholder statement to attest that all purchases are for county business and comply with all applicable rules and regulations.
- Forward the signed and reconciled cardholder statement with original receipts to designated supervisor.
- Notify supervisor and county auditor's office in the event of a lost or stolen purchasing card.
- Destroy and discard expired purchasing card
- Give purchasing card to supervisor if employment is terminated.
- Resolve disputes as described below.
- Making only authorized purchases: purchases for other individuals, departments and or other agency will not be allowed.

Returns, Credits, and Disputed Items

The cardholder has the responsibility to follow up with the merchant or bank on any erroneous charges, disputed items, or returns as soon as possible. Disputed billings can result from failure to receive the goods charged, defective merchandise, incorrect amounts, duplicate charges, credit not processed, as well as fraud and misuse. If the cardholder has a problem with a purchased item or a billing resulting from the use of the purchasing card, they should attempt to reach a resolution with the supplier. In most cases, disputes may be resolved directly between the cardholder and the supplier.

Credits:

Referring to the cardholder receipt, request from the merchant to record a credit on the card account. If the item was shipped, refer to the shipping form.

Returns:

The supplier should issue credit for any item approved for return. The credit should appear on a subsequent statement. Returned items that were purchased with the purchasing card must be credited back to the card. Do not accept a refund in cash or check. Keep documentation of credits, returns, and exchanges.

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Disputed Items

If a resolution on a disputed charge cannot be reached with the supplier, notify the county auditor's office to work with the card company to resolve the dispute.

Reviewer

The cardholder's supervisor or another designated employee (other than cardholder) should:

- Review information submitted by cardholder. The amount of review will depend on a number of factors but the reviewer should, at a minimum, periodically compare receipts to the cardholder statement submitted by the cardholder.
- Verify purchases are for use in county business. Sign cardholder statement to certify that purchases are for county business purposes and comply with appropriate rules and regulations to the best of the reviewer's knowledge.
- Cardholder statements with original receipts must be turned into the county auditor's office.
- The card must not be used for personal transactions. If personal transactions occur, the employee must repay the county.
- If it is determined that personal or other unauthorized charges are occurring on the purchasing card, appropriate steps, up to and including dismissal, will be taken to resolve the misuse/abuse of the purchasing card.