

Salt Lake County Purchasing Card Training Manual and Operating Standards



Angelina Harward-Collard
Program Administrator
Salt Lake County
385-468-0303
aharward-collard@slco.org

Antigone Carlson
Program Administrator
Salt Lake County
385-468-0310
acarlson@slco.org

U.S. Bank Customer Service
1-800-344-5696
Toll-free, 24-hour, 7 days- per-week

1.0 Overview

The purpose of the Salt Lake County Purchasing Card (P-card) Program is to provide an efficient, cost-effective method of purchasing and payment for small-dollar transactions. All cards are issued and utilized in accordance with a Department/Division or Elected Offices' purchasing/financial policies.

Your signature on the Cardholder Agreement indicates that you understand the intent of the program, have read Policy 7035, have attended a training session with the Program Administrator, and agree to adhere to the guidelines established for the program.

Finally, remember you are committing County funds each time you use the p-card. This is a responsibility that cannot be taken lightly.

2.0 To Obtain A Card

It is recommended that you read Policy 7035 before requesting a p-card. After receiving approval to apply for a p-card, complete an application. Indicate your **office address** on the form to receive statements and correspondence related to the program. Your Supervisor, Fiscal Manager, Division Director, and Department Head or Elected Official will need to sign the application. Submit to the Program Administrator to be processed.

P-cards will be issued once the cardholder, supervisor, and fiscal manager have attended a training session. Cardholders must also sign an employee agreement indicating their acceptance and understanding of the policy.

When you receive your card, sign the back of the card and always keep it in a secure place. Although the card is issued in your name, **it is the property of the County and is only to be used for County purchases as defined in this document.**

3.0 Using the Card

The p-card is NOT intended to avoid or bypass appropriate purchasing or payment procedures. Rather, the program complements the existing processes available for small cost provisions in the County Ordinance.

The p-card can be used for in-store purchases as well as mail, telephone, fax, and internet orders. You may use your card at the time of purchase or upon receipt of an original invoice.

You are responsible for the security of your card and the transactions made with the card. The card is issued in your name and it will be assumed that any purchases made with the card will have been made by you.

4.0 Purchases

4.1 Examples of when the Purchasing Card may be used:

- Items less than the small cost limit as defined in Policy 7021 in value and may not exceed the single or monthly limit set for each cardholder
- County-wide or agency contracts
- Miscellaneous maintenance requirements
- Office supplies, forms
- Subscriptions, computer supplies, software, books, video tapes
- Registrations for conferences or training anywhere in the US
- Travel costs, to include airfare, rental cars, and hotel rooms
- Any other item normally purchased under the small cost purchasing ordinance
- Meals as authorized in County Policy 1020

4.2 Examples of when the Purchasing Card may not be used:

- Any item exceeding the small cost limit in value (Do not split orders)
- Any merchant, product, or service normally considered to be inappropriate use of County funds
- Internet auctioning (unless approved by the Purchasing Agent)
- Personal use
- Cash advances or cash back. If an item is returned, it must be credited to the card. Do not accept cash for the return item.
- Gift cards unless purchased for clients/customers. Each division will have internal procedures approved by the program Administrator outlining the use and tracking of the gift cards

4.3 Sales Tax

You should **NOT** pay sales tax. Your card states the County's tax exempt number on it. If you find a receipt where you have paid sales tax, you need to have the charge credited and re-run without sales tax. In cases where the vendor refuses to refund the tax, please consult with your supervisor and fiscal manager as to how much time should be spent on this process.

5.0 Credit Limits and Restrictions

5.1 Credit Limits

Each card has been assigned an individual credit limit of \$10,000 per month, although limits vary based on the discretion of the Division Director or Department Director. If the limit is too low to accommodate monthly requirements, please contact your manager to re-evaluate your limit. If your manager agrees that it would be appropriate to raise your limit, your Division Director should send a written request to the Program Administrator in order to increase the monthly limit.

5.2 Blocked Merchant Category Codes (MCC)

If you present your card to a supplier and the transaction is declined, call the toll free number on your card. U.S. Bank Customer Service will determine why you were declined. Some MCCs have been blocked from usage in the program. However, the Program Administrator can request a code be opened on a certain account if justified. If the decline is because of the MCC code, send a written request to the Program Administrator requesting the code be opened.

6.0 Receipts, the Log, and Monthly Reconciliation

6.1 Receipts

When you purchase via phone, fax, e-mail, or other electronic means, print a copy of your order. Ask the supplier to include the receipt with the goods when the product is shipped to you. Cardholders must obtain **detailed receipts**, not total receipts. You must ensure that you use only known reliable sources when dealing with vendors via phone, fax, mail or e-mail when using your P-card.

6.2 Purchasing Card Transaction Log

Record the purchase on the P-card Transaction Log. The log becomes an ongoing record of information about the transactions made on your card. In the log, record the date of the transaction, the name of the supplier, and identify the merchandise purchased and the dollar value of the sale. Any other important information about the transaction should be placed in the comments box.

6.3 Monthly Reconciliation

Each cardholder will receive a statement identifying all transactions made against the card during the previous billing cycle. The County's cycle is from the 23rd day of the month to the 22nd day of the next month. The statement will be mailed to you or can be downloaded via the US Bank website. The statement must be reconciled against your Log. The original receipts will be attached to the Statement. **There is a four year retention schedule for purchasing card logs, receipts, and backup material.**

6.3.1 Electronic Approval Process

As soon as your transaction has posted to your account, please follow the instructions provided for approving transactions.

6.3.2 Paper Approval Process

If you did not have your transactions approved electronically in the US Bank system you must submit a paper log. The Log must be signed by your Supervisor and Fiscal Manager to indicate approval. Original documents will be stored and retained in accordance with agency policy consistent with other financial documents.

6.4 Ratification

All electronic copies of statements and transaction details are compiled by the Program Administrator within seven (7) calendar days after the billing cycle closes, which generally is the 30th day of the month. The Program Administrator will then review all charges and forward the completed log to the Director of Contracts and Procurement and the Mayor.

6.5 Reallocation of Charges

6.51 Electronic Reallocation

As soon as a transaction has posted to a cardholders account at US Bank, it may be reallocated to the appropriate accounting codes. Some divisions may choose to have their cardholders perform this task and have their fiscal managers verify for accuracy and other divisions may have just the fiscal manager perform this task. Either process is allowable.

If the reallocation of charges has been completed in the US Bank online system, no further action is necessary. Please follow the instructions for reallocation included in this manual as Attachment B.

6.52 Manual Reallocation

If the reallocation of charges was not completed in the US Bank online system but approvals were performed in the US Bank online system, you may choose to reallocate your funds with a manual journal voucher after the expenditures have posted to your budget. Please contact the Mayor's Financial Administration for instructions on manual journal vouchers.

If both the approvals and reallocations were not completed in the US Bank online system, your fiscal manager will need to reallocate and the transactions using a manual journal voucher.

6.6 Payment

The monthly payment to US Bank is paid with a wire transfer through the Auditor and Treasurer's Office. You will not be required to pay your monthly statement using personal funds. The program does not impact your personal credit rating in any way. There is no annual fee for a card.

6.7 Disputed Transactions

There may be occasions when items on your statement do not correlate with the entries in your log or your retained receipts (e.g. the amount of the transaction may be incorrect, or you may have a quality or service issue.) First, contact the supplier

involved to try to resolve the error. If the supplier agrees that an error has been made, they will credit your account.

If the supplier does not agree that an error has been made, initiate the dispute process either online or via the toll free number. You will be asked to submit information in writing so that US Bank can research the dispute. The amount on the next statement will be reduced by the amount of the disputed item until the transaction in question is resolved.

Any transaction to be disputed must be identified to the Bank either in writing or online within 60 days of the statement date. Disputes will be resolved by the Bank within 90 days.

You are responsible for the transactions identified on your statement. If an audit is conducted on your account, you are responsible for showing that the error or dispute resolution process was completed.

7.0 Discipline

Failure to comply with the policy and Training Manual/Operating Standards established for this program may result in severe consequences. Consequences, ranging from disciplinary action, rescinding the card, or termination of employment will be invoked for improper use of the p-card at the discretion of agency management.

8.0 Lost or Stolen Cards

The p-card is Salt Lake County's property and should be secured just as you would secure your personal credit cards. If your card is lost or stolen, contact US Bank's Customer Service Department immediately. Notify the Program Administrator and your Manager as soon as possible. Upon placement of your call, further use of the card will be blocked. Prompt action can reduce the County's liability for fraudulent charges.

9.0 Audit

Random audits may be conducted for card activity at any time by the Audit Division of the Auditor's Office. Fiscal Administrators will review p-card activity in their Departments on at least an annual basis.

The cardholder is responsible for the transactions identified on the statement. When an audit is conducted on the account, the cardholder must be able to produce receipts and proof that the transaction occurred.

10.0 Employee Termination

If you transfer to another office or your employment is terminated with the County, you must turn in the card to your Fiscal Manager. It is the Fiscal Managers responsibility to notify the Program Administrator when an employee, who has been issued a card, leaves or is terminated from Salt Lake County's employment.