

PURCHASING CARDS POLICY

I. Purpose:

This policy lists the procedures for using Black Hawk County purchasing cards on behalf of the county for making daily operational purchases as well as paying for approved travel expenses when on County business as outlined in the Black Hawk County Travel Reimbursement Policy.

II. Objectives:

Purchasing cards will allow Black Hawk County to:

- A. Consolidate County purchases onto one card and thereby eliminate numerous cards held in the County's name at multiple retailers, except for gasoline cards and the Sam's club card as both provide savings to the County.
- B. Allow the County to do business with vendors who no longer allow purchase order payments and now require a credit card.
- C. Take advantage of cost-saving opportunities by being able to purchase on the Internet and through catalogs as this practice is much more prevalent than in past years.

III. Procedures:

- A. Department heads and elected officials will be responsible for distributing County purchasing cards to employees as needed and will assume responsibility for those employees' purchases as well. Before receiving and / or using a county purchasing card, employees will sign a "Black Hawk County Purchasing Card Agreement" (Exhibit A) setting forth their obligations under this program. If the card is for the department only and not an individual, this release will need to be signed each and every time the card is checked out from the department.
- B. The financial institution will work to establish the initial spending limit per card as recommended by the Board of Supervisors or Finance Director.
- C. Purchasing cards should not be used to make purchases that under normal circumstances would require a competitive bid. All competitive bidding procedures will remain in place. If the need for expenditure over \$500 arises, pre-authorizations should be obtained for the purchase from the department head or elected official over that area to be sure that the purchase is not for something that would normally have been bid.
- D. The only eligible travel expenses that may be charged on the purchasing cards are those noted in the Black Hawk County Travel Reimbursement Policy. All per diem amounts and restrictions within that policy are still applicable. Any other use while traveling is prohibited.

- E. Employees are prohibited from using County purchasing cards for personal expenses. Even if the employee intends to reimburse the County later, it is still prohibited. Charging personal expenses on County cards is a misuse of County funds and will result in disciplinary action. The disciplinary action for a first offense concerning this policy will result in a suspension of purchasing card usage for three months. A second offense will result in termination of the employee.
- F. Department heads are responsible for ensuring that payment vouchers include supporting documentation (receipts, invoices, etc.) when turned into the Auditor's office for payment. The County's standard payment vouchers should still be used. Each purchasing charge should be listed separately on the payment voucher along with a description. To avoid late fees, the Auditor's office may pay all purchasing card charges on time, even if supporting documentation has not yet been received from the department.
- G. When the documentation is sent in, it will be reconciled to the payment. Original receipts should be secured for every purchase at the time the purchase is made. The Finance Director or his/her designee will be notified by the Auditor's office of any problems with departments submitting receipts in a timely manner. After reviewing the circumstances, the Finance Director or his/her designee will then recommend to the department head or elected official appropriate follow-up action, including possible suspension or total cancellation of card privileges.
- H. If charges appear on the purchasing card statement that should not be there, the department head or elected official should notify the Finance Director or his/her designee immediately. If needed, to avoid late fees or other charges, the statement can be paid in full. If the disputed charges are resolved to the department's favor, a credit to the account will appear on the next monthly statement.
- I. If a purchasing card is lost, the department head or elected official should notify the Finance Director or his/her designee immediately. The Finance Director or his/her designee will then follow up with the issuing institution accordingly.
- J. Prior to changing departments or ending employment with the County, purchasing cards should be turned into the department head or elected official and then forwarded to the Finance Director or his/her designee for destruction. If requested by the department head or elected official for any other reason, the card must also be turned in. Use of the purchasing card or its account number for any purpose after it is turned in is prohibited. Individuals surrendering purchasing cards must complete the Return of Purchasing Card form attached hereto and marked Exhibit B.

IV. Summary:

- A. These are overall guidelines for the County. Departments may implement more restrictive policies and procedures, but may not adopt any that are less restrictive.

- B. These guidelines and procedures cannot cover every possible situation that may occur in using County credit cards. Common sense and good judgment should always be used when acting as an agent for Black Hawk County.

Black Hawk County PURCHASING CARD AGREEMENT

Employee: _____ Department: _____

Approved By:

Department Head: _____ Finance Director: _____

The employee listed above has been provided with a copy of the County's purchasing card policy, and hereby agrees to comply with all terms and conditions set forth therein, including but not limited to:

1. County purchasing cards are for official County use only. I understand that any misuse of the County purchasing card may result in a suspension of usage on the first offense and termination on the second offense as outlined in Section 3C of the policy.
2. Purchasing card payments must be processed on a timely basis. All charges need accompanying original receipts. If appropriate receipts are not turned in and can not be produced, I agree to reimburse the County for any undocumented charges or any charges that do not comply with County policies.
3. The purchasing card will be immediately surrendered upon retirement, termination or upon request of the department head. I understand that the use of the purchasing card for any purpose after its surrender is prohibited.
4. The credit limit of this card is \$_____.
5. I understand a purchasing card is not necessarily provided to all employees. Assignment is based on my need to purchase material for the county and/or to provide for business travel. My card may be revoked based on change of assignment or location. I understand that the card is not an entitlement nor reflective of title or position.

I have read Black Hawk County's Purchasing Card Policy and procedures and accept them.

If permanently issuing card to individual:

Cardholder Signature _____

Date Issued _____

If checking out a purchasing card for temporary use:

Cardholder Signature _____

Date Checked Out _____

Cardholder Signature _____

Date Checked In _____

