

# Millard County Purchasing Card Policy

## Purchasing Card Procedures

By requesting a Millard County Purchasing Card, each applicant acknowledges that they have read and understand Millard County Policy and Procedures, in its entirety. These procedures provide information about the process, the types of purchases that can and cannot be made, records that must be maintained and reconciled monthly and miscellaneous information about the program.

### To Obtain a Card:

All credit card requests shall be approved by the Millard County Commission. Complete a Millard County Employee Credit Card Acceptance Agreement (Appendix A). All requests will be processed through the Millard County Auditor. The cardholder's signature on the Acceptance Agreement (Appendix A) indicates that the cardholder understands the intent of the program and agrees to adhere to the guidelines established for Credit Card Policy and Procedures.

Upon receipt of an approved credit card, it is the responsibility of the cardholder to sign the back of the issued card. Applicants/Employees are responsible for the security of the card issued and the transactions made with the card. The credit card is issued in the name of the applicant and it will be assumed that any purchases made with the card will have been made by the applicant. **The cardholder is the only person entitled to use the card issued.** Failure to comply with the guidelines established for the program may result in severe consequences, up to and including termination of employment.

**Card Holder Responsibilities:** It is the responsibility of the cardholder to:

- Read and understand the Millard County Credit Card Policies and Procedures
- Sign the Millard County Credit Card Acceptance Agreement. (See Appendix A)
- Make only authorized purchases as prescribed by the Entity Procurement Code and approved departmental budget
- Retain receipts for all transactions. In the absence of a receipt, a Missing Receipt Form must be completed and signed by the cardholder **and** a Member of the Millard County Commission. (See Appendix B)
- Reconcile the credit card statement upon its arrival. All reconciliations, statements, documentation, and receipts, with an attached warrant request for each transaction, are due to the Millard County Auditor **no later than 20th of each month** for the prior period charges. Except for December or current period charges - charges with approval and all required documentation shall be compiled and sent to the Auditor no later than December 20<sup>th</sup> each year to ensure posting to the current budget year. December statements must still be reconciled (noting pre-payments) and are due no later than the 20<sup>th</sup> of January.
- Keep the credit card and the corresponding account information secure. Immediately report any lost or stolen credit card and/or account information to the Millard County Auditor **and** the issuing credit card company

- Report fraudulent charges or any discrepancies in the credit card statement in a timely manner to the Millard County Auditor **and** the issuing credit card company

### **Auditor Responsibilities**

It is the responsibility of the Auditor to:

- Oversee the issuance of new cards upon approval of the Millard County Commission. The credit limit will be determined at the discretion of the commission
- Inform the Millard County Commission when limit changes are needed
- Cancel credit cards as needed due to personnel changes and/or terminations
- Payment on Credit Cards is to be done monthly through the Treasurer's office draft
- Credit Card reconciliations are to be completed within 15 days of statement receipt
- Review the cardholder's reconciliation and transactions for completeness, accuracy, and compliance with Millard County policies and procedures
- Address the cardholder about questionable transactions for clarification purposes
- Report any misuses of credit cards immediately to the Millard County Commission
- Sign the check register form for each cardholder after review
- If sales tax has been paid request for reimbursement from the State of Utah

### **Approved Purchasing Card Purchases:**

- Business related uses, subscriptions, seminars, dues, books
- Office supplies, furniture
- Small tools (purchase/rental), electrical, safety and building maintenance supplies
- Vehicle maintenance supplies
- Certain allowable travel expenditures:
  - Conference registrations or seminar rooms
  - Employer sponsored group gatherings
  - Hotel rooms
  - Meals with an overnight stay
  - Employer meals provided on employer premises AND for the employer's convenience
  - Business meals – must have a business connection  
(Meals while not traveling must be substantiated with expense documentation)

### **Prohibited Credit Card Purchases:**

The following purchases are strictly prohibited from being purchased by using an Entity credit card:

- Any merchant, product, or service normally considered to be inappropriate use of Millard County funds
- Purchase of items for personal use or consumption
- Purchasing in violation of the Millard County Procurement Code
- Capital equipment purchases/repair
- Gift cards/certificates

- Alcohol
- Fuel for fleet vehicles unless traveling outside of Utah. The state gas card should be used for fuel purchases
- Splitting a purchase to remain under procurement code limits
- Meals without an overnight stay
- Consultants:
  - Architects
  - Engineers
  - Attorneys and Attorney's fees
  - Medical, including hospital/doctor visits

### **Built-In Restrictions:**

Each card is assigned Monthly and Single-Purchase credit limits. If you find over time that these limits are too low to accommodate your monthly requirements, please contact a member of the Millard County Commission or Auditor to review the limit given. Millard County has the ability to block, if necessary, certain supplier's Merchant Category Codes. If Millard County chooses to block a Merchant the card will be declined. Please refer to the Auditor regarding issues with a possible blocked card.

### **Adherence and Accountability:**

It is imperative for all employees to adhere to the Purchasing Card Policy terms set forth by the organization. Failure to comply with the policy guidelines may result in the immediate of the purchasing card assigned. The card will remain frozen until the employee achieves full compliance with the policy requirements. This measure is essential to maintain financial accountability, prevent misuse of funds, and uphold the integrity of our purchasing card usage. All employees are expected to familiarize themselves with the purchasing card policy, practices and procedures and ensure consistent adherence to avoid any disruptions in card access.

### **Reconciliation and Payment:**

The Millard County Credit Card Program carries Entity, not individual, liability. Credit Card Invoices will be paid by the Millard County Auditor as outlined in Auditor responsibilities. The cardholder will not be required to pay the Monthly Statement using personal funds. The program does not impact the cardholder's personal credit rating in any way.

The cardholder is required to obtain and retain all receipts for goods and services purchased when using the credit card. If purchases are made via phone, mail, e-mail or other electronic means, ask the supplier to include and itemized receipt with the goods when the product is shipped to you. This itemized receipt is the only original documentation specifying whether or not sales tax has been paid against the purchase.

Each cardholder will receive a statement identifying all transactions made against the card during the previous billing cycle. The statement must be reconciled against the receipts for accuracy. The reconciled statement is to be sent to the Millard County Auditor for review, and approval. The cardholder's activity may be audited at any time.

### **Disputed Transactions:**

Disputes on credit cards must be identified in writing to the issuing credit card company within 60 days of the monthly statement date. If a dispute is not identified in writing within 60 days of the Monthly Statement date the issue must then be resolved between Millard County and the supplier.

The cardholder is responsible to identify possible disputed or fraudulent transactions on the monthly statement provided to them for reconciliation. If an audit is conducted on the cardholder's account, the cardholder must be able to produce receipts and/or proof that the transaction occurred. If an error is discovered, the cardholder is responsible for showing that the error or dispute resolution process was completed.

It is the cardholder's responsibility to notify immediately the Millard County Auditor if there is a possible dispute on an issued credit card.

### **Employee Termination:**

Upon notice of a cardholder terminating their current employment, the cardholder's supervisor is responsible to take possession of the card and any outstanding original receipts. The supervisor should immediately notify the Millard County Auditor so they can notify the card issuer and close the account.

## Appendix A

### CREDIT CARD HOLDER ACCEPTANCE AGREEMENT

The following Credit Card Acceptance Agreement must be signed by all authorized employees of Millard County with access to a credit card.

I understand that Millard County has authorized my use of a Millard County credit card for authorized Millard County expenditures on its behalf. In accepting and/or using the card, I agree to be bound by the terms and conditions which follow.

- I will use the card issued to me for the payment of authorized expenses consistent with my organizational responsibilities and to satisfy the needs of my department and Millard County
- I will not use the card to obtain cash advances
- I understand that **I am the only authorized card user** and accept the responsibility and accountability for the protection and proper use of the card
- I will not use the card for personal use or for any other non-Millard County purposes
- I understand that all purchases shall be made in accordance with applicable purchasing card policy and procedures approved by the Millard County Commission
- I understand that I will be responsible for the timely reconciliation of all credit card transactions charged to my assigned card
- I understand that I am responsible to provide appropriate documentation/receipts for credit card transactions charged to my assigned card
- I will surrender my assigned card to the Millard County Auditor (Administrator) in the event of my separation from Millard County
- I understand that any charges against my assigned card that are not properly identified or not allowed by Millard County shall be paid by me by check, United States currency or salary deduction. I further understand that any employee who has been issued a card shall not use the card if any disallowed charges are outstanding and shall surrender the card upon demand of the Administrator or Member of the Millard County Commission
- I will immediately report any stolen or lost card to the Administrator and bank card issuer

I understand that any variance and/or violation of the above conditions will result in cancellation of my assigned credit card. Misuse of the card could result in disciplinary action and/or personal liability for unapproved charges. All Millard County credit cards are subject to examination by external and internal auditors.

I HAVE READ AND I UNDERSTAND THE ABOVE CONDITIONS.

Name: \_\_\_\_\_ Department: \_\_\_\_\_

Signature: \_\_\_\_\_ Credit Card #: \_\_\_\_\_