

POLICY AND PROCEDURES - PURCHASE/TRAVEL CARD PROGRAM - VICTORIA COUNTY:

(8-6:27)

8. December 22, 2014. Sean Kennedy, County Treasurer, provided the Court with information regarding the Victoria County Purchase/Travel Card Program. Commissioner Clint C. Ives applauded Mr. Kennedy's efforts in the development of this program. Moved by Gary Burns and seconded by Clint C. Ives, the Commissioners Court approved the policy and procedures for the County of Victoria in connection with the Purchase/Travel Card Program. Motion adopted.

# **County of Victoria**

## **CITI MasterCard Purchase Card Program**

### **Policy and Procedures Manual**

**December 22, 2014**

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## I. Introduction

Welcome to the Victoria County Purchasing Card (PCard) Program.

This reference guide will provide each cardholder with the specifics of the program, including general guidelines, reconciliation and record keeping procedures, as well as customer service information. It is important to read the following information carefully, as each cardholder will be responsible for adhering to the established policy and procedures.

It is difficult to anticipate every question or issue that may arise, so any feedback on this program will provide an opportunity to refine the policies and procedures.

Please contact the Program Administrators for any questions regarding this program. The following is a list of all Purchasing Card Program Administrators:

County Treasurer – Sean Kennedy 361.575.8588  
Chief Deputy – Darla Cabeldue 361.575.8588

## II. General Guidelines

### Card Issuance

Requests for new Purchasing Cards should be sent by the Department Head to the Program Administrator. When the request is approved, the cardholder will be required to complete the attached **Cardholder Agreement Form**. By signing this form the cardholder agrees to adhere to the guidelines established in this manual. Most importantly **that cardholder is the only person entitled to use the card and the card is not to be used for personal use.** The card cannot be transferred from one employee to another as each card is assigned to an individual employee.

Once the PCard is received the account can be activated by calling the toll-free number printed on the card. For verification purposes the cardholder will have to provide a piece of information provided to the cardholder by the Program Administrator. Although the card will be issued in the employee's name the cardholder's personal credit history will not affect their ability to obtain a card. Victoria County is responsible for payment of all authorized purchases.

## **Card Usage**

The PCard can be used at any merchant that accepts MasterCard except as the County otherwise directs. It is designed for in-store purchases; however, online purchases can be made with authorized County of Victoria Purchasing Card Online Vendors.

Not all vendors will accept MasterCard. If a vendor does not accept MasterCard please contact the Primary Program Administrator.

## **Limitations and Restrictions**

Each cardholder account has been assigned credit limits. A single transaction limit is placed on each cardholder account which means the purchase will be declined if an attempt is made to purchase more than this set amount at any one time.

**Do not split a purchase to avoid the single transaction limit. Failure to comply with the above guidelines for authorized purchases under the Purchasing Card Program will result in disciplinary action, cancellation of your card privileges, and/or possible termination of employment.**

In addition to the single transaction limit every cardholder account has a total monthly dollar limit assigned to their account. This limit tracks all of the authorized purchases in any given month and will not allow the cardholder to exceed this limit.

The PCard Program also allows for merchant category blocking. If a particular merchant category, a jewelry store for example, is blocked and a purchase is attempted at such a merchant, the purchase will be declined. The Program Administrators have made an effort to ensure that the vendors /suppliers used during the normal course of business are not restricted. If your card is refused at a merchant where the cardholder believes it should have been accepted, contact the Primary Program Administrator to determine the reason for refusal.

**IMPORTANT:** All requests for changes in limitations and restrictions must be made in writing through the cardholder's supervisor and then forwarded to the Primary Program Administrator.

## **Lost or Stolen Cards**

Each cardholder is responsible for the security of their card and any purchases made on their account. If a card is lost or stolen, inform the Program Administrator. **It is extremely important to act promptly in the event of a lost or stolen card to avoid County liability for fraudulent transactions.**

As with any personal credit card, the cardholder's account number will be disabled immediately after notifying the card issuer CITI at 1-800-248-4553.

### **III. Purchases**

#### **Authorized Transactions**

- Office supplies and forms
- Books and subscriptions
- Hardware and tools
- Spare parts
- Courier or Overnight Deliveries
- Travel Expenses (with the applicable card authorizations)
- Registration Fees (with the applicable card authorizations)

Any purchase made is subject to the annual appropriations as approved by Commissioners' Court. Payment of any purchase is subject to the approval of Commissioners' Court.

#### **Unauthorized Transactions**

- Items for personal use
- Any single transaction exceeding your current limit
- Capital goods or Leased equipment, unless previously approved in writing
- Sales Tax on any purchase made
- Computer Software or License (This must always be coordinated with the County IT Dept)

As with any County purchase, the PCard is not to be used for any product, service or with any merchant considered to be inappropriate for County funds.

Failure to comply with the above guidelines for authorized purchases under the Victoria County Purchasing Card Program will result in disciplinary action, cancellation of your card privileges, and/or possible termination of employment.

### **IV. Levels of Authorization**

#### **Maintenance and Operation**

The first level of authorization is given to all cardholder accounts. It allows for purchase of routine items needed to perform the daily activities as required by their position. The PCard, when used for maintenance and operation purchases, must be used in accordance with the County's established Procurement Policy.

## **Travel**

PCard allows employees to make payment on airfare, hotels and authorized business expenses while on official county business. The PCard, when used for travel, must be used in accordance with the County's established Procurement and Travel Policies.

## **V. Reconciliation and Payment**

### **Reconciliation of Purchases**

Each statement will reflect the transaction date, posting date, supplier or merchant name and the total amount of the purchase.

Each cardholder is responsible for the following:

- Retaining all itemized receipts for items purchased using the card.
- Ensuring all transactions posted are legitimate purchases made by the cardholder on behalf of the County.
- Verifying the coding, both department and account, on each transaction is correct.
- Adding a description to each purchase as necessary.

Immediately upon receipt of the statement notice ensure that all the transactions listed are legitimate purchases

If all transactions are correct mark the statement as reviewed. Once the statement has been marked as reviewed an email will be issued to the cardholder's supervisor for their approval. In order for the supervisor to approve the statement the transactions and all receipts should be forwarded to them for review.

### **Disputed or Fraudulent Charges**

Any discrepancy in transaction receipts or the cardholder statement should be addressed immediately. The cardholder may need to contact the merchant or complete the online dispute form through Victoria County to resolve the disputed transaction.

If the merchant has charged an incorrect amount, or there is an outstanding quality or service issue, first contact the merchant and try to resolve the error or problem. If the matter is resolved directly with the merchant, and the error involved an overcharge, a credit adjustment should be requested and will appear on the next statement.

If the merchant disagrees that an adjustment is necessary, complete the online dispute form. The details of the disputed transaction will be entered online and handled by Victoria County Treasurer.

The cardholder should never assume that a dispute will be resolved in the County's favor.

If the dispute is not resolved satisfactorily the cardholder should notify the Primary Program Administrator with the relevant details to take further action.

Any fraudulent charge (i.e., a charge appearing which was not authorized) must be reported immediately to the Program Administrator. Prompt reporting of any such charge will help to prevent the County from being held responsible.

### **Payment of Monthly Invoice**

The Auditor's office is responsible for paying the PCard Program invoice each month. Each cardholder is not responsible for the actual payment of their individual transactions or account balance; however, each cardholder is responsible for approving their purchases and the cumulative of all transactions for the month.

## **VI. Sales and Use Tax**

The County of Victoria is exempt from paying sales tax on any purchase. If a vendor requires a Tax Exemption Form please contact Auditor's office for a copy.

## VII. Frequently Asked Questions

- **What is the procedure when I pay for something with my Purchasing Card?**

Essentially, the process is the same as when using a personal credit card. Always ensure purchases are tax exempt. Always obtain an itemized receipt for the cardholder's records.

- **Are there any restrictions associated with the use of the Purchasing Card?**

Yes, in addition to County Policy stating the type of products that can be bought, other controls and limits that may be placed on the card include:

- Per transaction dollar limit
- Monthly dollar limits
- Blocked merchant categories

Please see your supervisor or County Treasurer for your specific restrictions.

- **How will I know if I have exceeded my monthly limit?**

You can check your balance and expenditures online at any time. Please contact the County Treasurer for assistance on this process.

- **What should I do if a supplier does not accept the Purchasing Card?**

Please contact the County Treasurer and provide them with the supplier's name, address and phone number.

- **How will I know if the County is billed correctly for the purchases I have made?**

You will be able to check all transactions online at any time. This statement is for your review only and allows you to reconcile your purchases. You must review the statement in a timely manner as any disputed or fraudulent transactions must be reported to Program Administrator in a timely manner.

- **How will my monthly Purchasing Card expenses be paid?**

You are not responsible for the payment of your Purchasing Card bills. The monthly statement will be received by the County Treasurer's Office, reviewed and one monthly payment made to CITI covering expenses for all County employees using the card.

- **Who in the County may I talk to if I have questions going forward?**

We have designated the following individual(s) as Program Administrator(s) (PA):

County Treasurer – Sean Kennedy 361.575.8588  
Chief Deputy – Darla Cabeldue 361.575.8588

The PA should be contacted for any questions you have regarding limits, usage and other issues. Only the PA has the authority to change any existing information or restrictions to a cardholder's account.

- **Once I receive the card, can I begin using it immediately?**

Once you receive your card you will be instructed to call the Victoria County Treasurer and provide certain information (e.g., employee ID number or other meaningful data) to activate the card. This procedure ensures a secure card issuance process and helps to prevent fraud.

- **What should I do if my card is lost or stolen?**

It is extremely important to call the Victoria County Treasurer's Office immediately in the event your card is lost or stolen or call CITI at 1-800-248-4553.

- **Can another employee utilize my card for purchases?**

Each Purchasing Card will be embossed with the individual employee's name. The employee is responsible for the proper use of their card. At no time should another individual utilize your card.

- **Can the Purchasing Card be used outside the United States?**

Yes, the Victoria County PCard is accepted worldwide. Purchases can be made in any currency and billed in U.S. Dollars; however, please contact a Program Administrator prior to making any international purchase.

- **What should I do if I need to change my monthly or single purchase limits?**

You must contact your supervisor who will forward the request to a Program Administrator.

# County of Victoria

## CITI MasterCard Purchasing Card (PCard) CARDHOLDER AGREEMENT

I, \_\_\_\_\_, agree to the following regarding my use of the Victoria County CITI MasterCard Commercial Purchasing Card (PCard).

1. I understand that I am being entrusted with a County Purchasing Card (the PCard), and that each time I use the PCard I will be making financial commitments on behalf of the County of Victoria.
2. I will not allow others to use my PCard and will ensure that my PCard is kept secure at all times. If my PCard is lost or stolen, I understand that it is my responsibility to immediately notify the Program Administrator or 361-575-8451 or 1-800-248-4553.
3. I agree that the PCard may only be used for County business expenses.
4. I understand that under no circumstances will I use the PCard to make personal purchases, either for myself or for others. If an accidental personal purchase is made, I will immediately refund the County of Victoria for the full purchase price. **I authorize a payroll deduction if I do not refund a personal purchase or if documentation of a purchase is not provided.**
5. I will obtain an **itemized receipt**, which reflects the total amount paid to the vendor with details of the items purchased. **All County of Victoria purchases are tax- exempt.**
6. I will use the PCard in accordance with this agreement and in accordance with PCard processes and procedures and submit my Cardholder Statement, with all itemized receipts attached, to my Authorized Approver within two working days of distribution of cardholder statements. Failure to do so may result in revocation of my PCard usage privileges.
7. I am aware of my PCard credit limits and will abide by those limits.
8. I understand and agree that failure to adhere to the terms of this Agreement or use of the PCard for personal use or gain will be treated as a serious violation of County Policy and will result in disciplinary action up to and including termination of employment.

\_\_\_\_\_  
Employee Name (Print)

\_\_\_\_\_  
Employee Signature / Date