

Jefferson County, West Virginia

PURCHASING CARD POLICIES AND PROCEDURES

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Jefferson County Commission

PO Box 250, Charles Town, WV 25414

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**WEST VIRGINIA LOCAL GOVERNMENT
PURCHASING CARDHOLDER AGREEMENT**

This agreement outlines the responsibilities I have as a holder of the West Virginia Local Government Purchasing Card. My signature indicates I have read and understand these responsibilities and that I agree to adhere to West Virginia Code Â§6-9-2a-c and rules promulgated thereunder, to the Local Government Purchasing Card Policies and Procedures, and any applicable purchasing guidelines.

1. I understand that the Purchasing Card is solely for official business of the Local Government Entity, intended to facilitate the payment of goods and services, for conducting official business within applicable activity limits and is not for my personal use.
2. I understand that the use of the Purchasing Card for payments not authorized within the Local Government Policies & Procedures will be considered misuse of the Purchasing Card and will be grounds for (a) immediate forfeiture of the Purchasing Card (b) disciplinary action which may include termination of my employment and (c) conviction of a felony. I understand that I am personally liable for any payments not authorized by the spending unit and permitted within the Local Government Policies & Procedures.
3. I understand that all charges will be billed directly to and paid directly by the Local Government Entity and that the issuing bank cannot accept payments from me personally.
4. I understand that the Purchasing Card is issued in my name and I am responsible for maintaining the security of the card and for all charges made by or authorized by me against it. I understand and agree that I will not give the card bearing my name to any other person to use either on my behalf or someone else's.
5. I will keep my card safe at all times with appropriate security from the time I receive the card until such time as my card is surrendered to my Local Government Program Coordinator. If my Purchasing Card is lost or stolen, I agree to immediately notify the issuing bank and my Local Government Program Coordinator.
6. I agree to follow the West Virginia State Law, purchasing guidelines of my Local Government Entity and established Policies & Procedures.
7. I understand that the Purchasing Card must be surrendered upon request and/or upon my termination of employment from the Local Government Entity.
8. I understand that I must receive training on card usage and policies and procedures prior to using the Local Government Purchasing Card.
9. I understand and agree that the Local Government Purchasing Card is not to be used for cash, cash credits, or cash advances unless approved by the WV State Auditor's Office.
10. I understand that upon receipt of the card, I must activate the card and set a personal identification number (PIN). I must also sign the back of the card if required by the issuing bank to qualify for insurance coverage or any other card benefit eligible to the State.
11. I understand that it is necessary to provide the issuing bank with certain personal information that will be used only to verify my identity and for security reasons.
12. I understand that it is a violation of policy to manipulate the ordering, billing, or payment process in order to circumvent established cardholder limits.
13. I understand it is my responsibility to save all receipts for transactions posting to my Local Government Purchasing Card and that the issuing bank or the WV State Auditor's Office does NOT have copies of those receipts.
14. I understand and agree that I will immediately notify my Program Coordinator and/or the issuing bank of any disputed items appearing on my monthly bill. I further understand that telephoning will not preserve my rights and that I must follow up in writing to the issuing bank within 60 days of the date of posting or may lose my rights to dispute item(s).
15. I agree that, should I violate the terms of the Purchasing Cardholder Agreement, I will reimburse my Local Government Entity for all charges improperly authorized by me to the Purchasing Card and all costs incurred by the Local Government Entity and the issuing bank related to the collection of such charges.

*Cardholder Signature: _____ Date: _____

Cardholder Name (please print): _____

Local Entity Name: Jefferson County Commission

Program Coordinator's Signature: _____ PIN: _____

*Cardholder must complete this form prior to issuance of a purchasing card.

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Section 1.0: Introduction

This program is being established in order to provide a more expedient procedure and payment for low dollar value purchases, and to reduce paperwork and handling costs. The Purchasing Card (P-Card) is the preferred method of payment providing an efficient and effective process for the payment of expenditures incurred by the Jefferson County Commission. The P-Card effectively decreases program costs and offers increased control and monitoring of payments. An effective P-Card Program will also reduce the paperwork and time associated with the payment processing function. Payments to vendors are made via the West Virginia Local Government Purchasing Card Program administrated by The West Virginia State Auditor's Office. Jefferson County will make monthly settlements with the provider bank.

1.1 Overview

The Local Government P-Card Program was created and implemented in 2008 by West Virginia Code, §6-9-2a, and is governed by Legislative Rule, 155 CSR 6. The State Auditor's Office Local Government P-Card Division serves as the Program Administrator for the Local Government P-Card Program. Local Government entities, including the Jefferson County Commission, subject to the auspices of the State Auditor's Chief Inspector are eligible to participate in the program.

The governing body of the **Jefferson County Commission** is responsible for managing the program and each administrative organizational unit is responsible for managing its **Cardholder's** accounts.

1.2 Policy Adoption

Officials of the **Jefferson County Commission** are responsible for establishing, maintaining and enforcing Local P-Card Policies and Procedures. This Manual establishes minimum standards for the use of the State of West Virginia Local Government P-Card and shall serve as a framework for local officials to fulfill that responsibility. Individual transaction limits and credit limits shall be determined by each Entity **P-Card Coordinator** upon approval by the State **Auditor's Office** Local Government P-Card Division.

It is the County's coordinators and cardholders responsibility to be knowledgeable of and to follow all P-Card policies and procedures, as well as all applicable purchasing laws and guidelines. Other members of County staff with reviewing and approving responsibilities (county officials, chief financial officers, department heads, directors, managers, supervisors, etc.) should also be knowledgeable of program requirements.

The P-Card is a method of payment and should not be considered a substitute for proper procurement procedures. All payment/purchases made with the purchasing card must be made in accordance with the current Jefferson County Purchasing Policy and be made within budget limits. The **Auditor's Office** Local Government P-Card Division has the authority to request procedural improvements and/or place card restrictions on the County until such controls are established, documented and implemented.

Participation in the P-Card Program of a cardholder or the County may be revoked if the cardholder or County fails to institute and enforce policies and procedures related to the program.

1.3 Definitions

Auditor's Office - West Virginia State Auditor's Office.

Approver – See *Card Verifier*

Cardholder - Employee (or non-employee) whose name appears on the Purchasing Card and is accountable for all charges made with that card.

Cardholder Account Number - The individual account number assigned to each Jefferson County Commission payment account.

Cardholder Agreement Form - A form signed by the cardholder that acknowledges that the cardholder has had adequate training, understands the *P-Card Policies and Procedures*, and accepts responsibility for compliance with all policies and procedures.

Card Verifier – Employee(s) within the organization responsible for verifying that all charges against the Cardholder's account are backed up by supporting documentation and appropriate for the operations of the County. Frequently, they will document this review and approval by signing the weekly or monthly log sheet of the employee or, where applicable, by electronic approval via the County's automated financial system, Tyler Technologies. This person may be a supervisor, manager, Department Head, Elected Official or a person in a similar job capacity.

Chief Financial Officer – The individual responsible for oversight of the financial activity within a spending unit.

Disputed Item - Any transaction that was not authorized by the individual cardholder.

County Officials – The Jefferson County Commission is the elected body or appointed governing board of the County.

Electronic Purchase Card Statement - A listing of transactions available to the cardholder monthly in the County's automated financial system indicating all activity on an individual P-Card.

Electronic Signature – An electronic sound, symbol or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. (See West Virginia Code §39A-1-2(8)).

Entity – Jefferson County Commission

Financial Institution – The organization that has contracted with the Auditor's Office to administer certain aspects of the Local P-Card Program.

Fraud – is a deception deliberately practiced in order to secure unfair or unlawful gain.

Goods - Materials, supplies, commodities, equipment, and any other articles or items used by or furnished to the County.

Hospitality – Food, nonalcoholic beverages, and related expenses for the reception of guests by the County for a specific event or function relating to conducting County business.

Individual P-Card Statement - A listing of transactions available monthly to the cardholder indicating all activity on an individual P-Card.

LG P-Card Account Administration Worksheet - A file that initiates the P-Card issuance process, account maintenance, new billing accounts and coordinator changes.

Jefferson County Commission - means any unit of local government within the State subject to the auspices of the Chief Inspector, including a county, county board of education, municipality, and any other authority, board, commission, district, office, public authority, public corporation, or other instrumentality of a county, county board of education, or municipality or any combination of two or more local governments.

Master Billing Account Number - The master account number assigned to the County for billing purposes.

Master Statement - A list of transactions available monthly to the County P-Card Coordinator indicating all activity on each individual P-Card that rolls up to the County's master account number.

Monthly Cardholder Statement – This is the monthly listing of all transactions of the Account by the cardholder, issued by the bank directly to the cardholder.

Non-Employee – an individual who is not employed with the County but performs functions for the local government for which they are issued a P-Card.

Official Use - Payments made by a cardholder on behalf of the County as permitted by law and P-Card Policies and Procedures.

P-Card Coordinator - The Chief Financial Officer or individual designated by each County to administer the P-Card Program within the County or an account of the County.

P-Card Delegation - The practice of allowing an individual other than the cardholder whose name appears on the front of the P-Card to have access to the P-Card or P-Card number to initiate or complete a transaction.

Program Administrator – The Director of the Local Government P-Card Program in the State Auditor's Office Local Government P-Card Division.

Purchasing Card (P-Card) - A payment account issued in the name of an individual employee of the Jefferson County Commission or non-employee for official use.

Receipt - An itemized document indicating the vendor, the price per item, and the total amount charged in a transaction.

Single Transaction Limit – See **Transaction Limit**

Spending Unit – All local governments within the state, including a county, county board of education, municipality, and any other authority, board, commission, district, office, public authority, public corporation, or other instrumentality of a county, county board of education, or municipality or any combination of two or more local governments except those statutorily exempted.

Transaction –The payment for goods and services and other items.

Transaction Limit - The maximum dollar amount permitted in any single transaction. The dollar amount limitation of procurement purchasing authority delegated to a cardholder. The County's single transaction limit varies; please see the P-Card Coordinator for your limits.

Vendor - The supplier of goods or services to the County.

1.4 Training

The State Auditor's Office Local Government P-Card Division shall provide training to all cardholders and program coordinators. Training may be in person, or in a format approved by the State Auditor's Office Local Government P-Card Division.

All County Program Coordinators shall receive training/education designed and approved by the State Auditor's Office Local Government P-Card Division within thirty (30) days of assuming the duties of the position. Designated training/education may be required annually. P-Card Program Coordinators who successfully complete all applicable designated Coordinator training are not required to undergo any required Cardholder training.

Effective July 1, 2019, County employees who will be issued and/or use a P-Card must have successfully completed a training session specifically designed for new cardholders. All current cardholders should complete refresher training before their P-Card is reissued. Training on specific County purchasing policies and guidelines will be provided by the County.

Section 2.0: P-Card Issuance and Maintenance Procedures

2.1 Designation of a P-Card Coordinator

Each spending unit's Chief Financial Officer or his or her designee shall serve as the spending unit P-Card Coordinator. P-Card Coordinator(s) are specified by a representative of the **County Officials through the preparation of the LG P-Card Account Administration Worksheet** which must be submitted to the **State Auditor's Office**. Additionally, **County Officials** (or a representative) should designate an individual to act as a backup **P-Card Coordinator** in the event the primary Coordinator is unavailable to perform his or her duties. The County may have multiple **P-Card Coordinators** or P-Card sub-Coordinators who may be delegated some or all of the coordinator's responsibilities. Sub-Coordinators may be appointed by County Officials (or a representative) or the **P-Card Coordinator**. **P-Card Coordinators** and sub-coordinators must complete State Auditor's Office training within 30 days of assuming responsibilities.

The designated individual(s) shall be responsible for the administration and oversight of the County's P-Card internal control system, which includes the appropriate accounting of transactions and ensuring P-Card use is for valid government purposes.

The P-Card Coordinator - shall be responsible for the implementation and enforcement of the following procedures that include but are not limited to:

- Responsible for reviewing all cardholder electronic or paper P-Card *Individual Log Sheets* submitted to the County and ensuring all P-Card guidelines and regulations are followed.
- Periodically review all charges and accounts.
- Submit and process all P-Card cardholder limits, terminations, issuance, and changes. Document accordingly.
- Ensure all appropriate cardholders attend P-Card annual training.
- Arrange P-Card training through the state's P-Card office personnel.
- Ensure each cardholder has signed a P-Card Cardholder Agreement form and the original is in their office. Report any abnormalities or suspicious activities to the County Administrator.
- Liaison for cardholder questions.

2.2 Obtaining a P-Card

P-Cards are issued at the request of the County **P-Card Coordinator**. **Cardholders** who are County employees should be full-time employees of the County. Cardholders must sign a *Purchasing Cardholder Agreement* (Front Section). If an individual is a **Non-Employee** of the County, they must also sign a *Purchasing Cardholder Agreement*. P-Cards will not be issued by the **State Auditor's Office** without a signed *Purchasing Cardholder Agreement*. The County **P-Card Coordinator** is required to maintain a copy of the *Purchasing Cardholder Agreement* Form in the County's automated financial system, Tyler Technologies.

The **P-Card Coordinator** is responsible for assigning the credit and transaction limits as well as any other applicable restrictions for use of the P-Card. The coordinator can assign this through the financial institution's electronic platform or by emailing the appropriate section of the **LG P-Card Administration Worksheet** to our global email address (wvlgPcard.gov).

Department Heads may propose personnel to be cardholders by completing the *Request for Purchase Card* form (Attachment A). The request(s) is (are) to be forwarded to the P-Card Coordinator for final approval. Upon receipt and review of the request form, the P-Card Coordinator will complete a P-Card application and forward the approved form to the WV Local Government Purchasing Card Program for processing.

The proposed cardholder shall be issued a copy of this Manual and shall be required to acknowledge (countersign) a *Purchasing Cardholder Agreement* (front section), indicating that the cardholder understands the procedure and the responsibilities of a P-Card cardholder.

All new applicants are required to complete **State Auditor's Office** training before P-Cards will be issued.

2.3 P-Card Activation

P-Cards are mailed to the P-Card Coordinator. Upon receipt, the coordinator should provide it to the cardholder. **Cardholders** are responsible for activating their own cards upon receipt and assigning a personal identification number (PIN) to their card.

2.4 P-Card Account Maintenance

P-Card Coordinators are responsible for performing card maintenance via the applicable provider platform. The **State Auditor's Office** is required to electronically approve certain account maintenance changes. Alternatively, **P-Card Coordinators** may utilize the **LG P-Card Administration Worksheet** or email our office for maintenance items.

2.5 Card Security

The unique purchasing card that the Cardholder receives has his or her name embossed on it and shall ONLY be used by the Cardholder. It is the **Cardholder's** responsibility to safeguard the P-Card and P-Card account number at all times. The Cardholder may make transactions on behalf of others in their department. However, the Cardholder is responsible for all use of his or her card. P-Cards must be kept in a secure location and should only be used to process transactions by the respective **Cardholder**. In order to prevent exposure to fraud, the full P-Card account number should not be recorded electronically or on paper. All cardholders are required to sign the back of their P-Card upon receipt.

P-Card delegation is prohibited. P-Card delegation is the practice of allowing an individual, other than the cardholder whose name appears on the front of the P-Card, to have access to the P-Card or P-Card number to initiate or complete a transaction. P-Card delegation increases the risk of fraud and cardholder liability. **NO OTHER PERSON IS AUTHORIZED to use that card.**

If a Cardholder becomes aware of a charge to their P-Card that is potentially fraudulent in nature they must notify their **Card Verifier** and the **P-Card Coordinator** **immediately**. Representatives of the County shall report all aforementioned instances to the **State Auditor's Office** Local Government P-Card Division **immediately**.

With the exception of ghost accounts, fleet cards, and certain other accounts, P-Cards are issued in an individual's name. Only the individual named on the P-Card is authorized to use it. P-Cards can be issued in the name of the County upon approval by the **State Auditor's Office** Local Government P-Card Division. These department cards shall have proper controls in place as to access and use and should be limited to specific users designated by department heads. All users of a department card are still required to sign a *Purchasing Cardholder Agreement Form*. All *Cardholder Agreement Forms* for department cards must be submitted to the **State Auditor's Office** Local Government P-Card Division to be kept on file. Documentation should clearly establish the individual responsible for the purchase. A *Shared Purchasing Card Log Sheet* (Attachment E) must be kept to properly document who had access to the card, the date and vendor of every purchase the employee/non-employee made, as well as when the card was returned.

Lost or Stolen P-Card - Immediately report lost or stolen P-Cards to the **Financial Institution** and the **County P-Card Coordinator** within 24 hours to limit cardholder liability. After the Financial Institution and P-Card Coordinator have been notified, the cardholder shall notify their Department Head within one (1) working day after discovering the card missing. The cardholder shall prepare and submit to their Department Head a written report of the loss within five (5) working days. This report is called the *Lost/Stolen Card Notification Form* (Attachment B). A copy of this report shall be forwarded to the P-Card Coordinator. The P-Card Coordinator shall forward a copy of the completed report to the Financial Institution.

A new card shall be promptly issued to the Cardholder after the reported loss or theft. A card that is subsequently found by the Cardholder after being reported lost shall be cut in half and given to the Department Head. The Department Head and Cardholder shall sign the *Card Destruction Notice* form (Attachment C) and forward the completed for to the P-Card Coordinator who will notify the Financial Institution.

P-Cards must be cancelled **immediately** upon termination of or separation from employment. The **P-Card Coordinator** is responsible for ensuring that the P-Card is destroyed and that a *Local Government Card Maintenance Form* (electronic form at State Auditors Website) is completed and submitted to the **State Auditor's Office** Local Government P-Card Division or that the account is terminated by the coordinator via the processing bank's electronic portal.

If the Cardholder is transferring to another department, the Cardholder shall surrender the purchasing card and current purchasing card logs to his or her Department Head. Upon its receipt the Department Head will review, approve and forward to Accounts Payable, the month end purchasing card statement. The Department Head shall cut the purchasing card in half, complete the *Card Destruction Notice* form (Attachment C) and forward the completed for to the P-Card Coordinator who will notify the Financial Institution. When the Cardholder reports to his or her new department, he or she may request a new card in accordance with **Section 2.2-Obtaining a P-Card**.

Section 3.0: Using the P-Card

3.1 General Instructions

The P-Card is a preferred method of payment for certain designated transactions or dollar amounts. All applicable laws, rules and regulations, P-Card Policies and Procedures, and other governing instruments must be followed, regardless of the method of payment. All payment/purchases made with the purchasing card must be made in accordance with the current Jefferson County Purchasing Policy and within budget limits.

The P-Card may be used to make payments for goods, services, and travel that are not prohibited by P-Card Policies and Procedures, travel policies, or applicable laws, rules or regulations. **Personal charges are prohibited.** Purchasing Card cannot be used to purchase gift cards. Except where otherwise exempted by statute, rule, or waiver from the State Auditor's Office Local Government P-Card Division, the P-Card may not be used to obtain cash, cash credits, or cash advances

3.2 Transaction Limit

Individual transaction limits and credit limits are determined by the County **P-Card Coordinator** upon approval by the **State Auditor's Office** Local Government P-Card Division. It is a violation of policy to manipulate the ordering, billing, or payment process in order to circumvent established cardholder monthly or single transaction limits or County purchasing policies. The payment or purchase shall not be split into multiple transactions to stay within the single transaction limit. Cardholders are responsible for staying within their available budget. If a budget line is exceeded and funds are not available for a budget revision, or any other violation of the P-Card policy occurs, the cardholder may be personally liable for the purchase. **Any purchase over \$5,000 must be pre-approved by the County Administrator.**

3.3 Ordering

Payments may be made with the P-Card by phone, fax, mail, secured internet site, or in person. When paying by telephone, fax, mail, or internet, the vendor should be provided with a complete shipping address.

Shipping and handling charges must be included in the stated price and the total charge may not exceed the cardholder's assigned transaction limit or violate the County's purchasing policies.

When placing the order, the vendor should be instructed to provide an itemized invoice or receipt. The vendor may not charge the account until the merchandise has been shipped. Whenever making a purchasing card purchase the Cardholder will check as many sources of supply as reasonable for the situation to assure best price and delivery.

Cardholders shall utilize the following "checklist" when making a purchase:

1. Solicit a reasonable number of sources. If vendors furnish standing price quotations or catalog prices on a recurring basis check that the price listed is current.
2. Once a vendor is designated and that vendor confirms that the good or service is available, meets the specification and delivery requirements, etc:
 - a. Confirm that the vendor agrees to charge the purchasing card.

- b. Advise the in state vendor that Jefferson County is tax exempt and must not pay sales tax. Out of state vendors may charge sale taxes. See also **Section 3.4 Tax Exempt Status and Disputed Charges**.
- c. Direct the vendor to include the following information on the shipping label and packing list:
 - i. Cardholder's name
 - ii. Complete delivery address
 - iii. The words "Purchasing card Purchase"
 - iv. The vendor's order number
- d. Give the vendor your purchasing card number.
- e. It is extremely important that all purchases be sent to the cardholder ordering the merchandise as this will ensure that the documents necessary for the record keeping are readily available to the cardholder.
- f. If necessary, advise the individual within your area who receives merchandise, of the vendor's name and order number, anticipated delivery date, number of boxes expected, carrier (UPS, FedEx, etc.) and to notify the Cardholder when delivery is made

3.4 Tax Exempt Status and Disputed Charges

The Jefferson County Commission is tax exempt for sales tax and hotel/motel tax and should not pay tax to in-state vendors. Cardholders should remind vendors that the County is tax exempt before initiating a transaction.

The words "Tax Exempt" and the County's tax identification number are printed on the P-Card. The cardholder may be required to provide the vendor with a copy of the County's tax-exempt certificate and that may be obtained from **Accounts Payable**.

It is the cardholder's responsibility to ensure charge accuracy. Sales tax, incorrect shipping charges or other invalid charges to the card should be addressed immediately with the vendor by the cardholder. If the situation is not adequately addressed by the vendor, the cardholder should initiate a dispute by calling our office and following instructions.

3.5 Convenience Fees and Surcharges/Checkout Fees

Convenience fees and Surcharges or Checkout Fees may be paid by the P-Card at the discretion of the County. It is the responsibility of the cardholder and **P-Card Coordinator** to determine if these charges are acceptable to the County and in compliance with the card brand's regulations. Any questions or suspected misapplication of these fees by a vendor should be reported to the **State Auditor's Office** Local Government P-Card Division for further investigation.

Convenience fees and surcharges **shall not exceed more than 2.0% of the total transaction amount**. Amounts greater than 2.0% are deemed excessive and are not cost effective. If the convenience fee exceeds 2.0% of the transaction total, the transaction should be paid through the County's Accounts Payable, check issuance process. (See *Policy 305-Purchase Order and Invoice Policy*).

3.6 Travel

The County has established **Policy 302- Travel Expenses Policy** that provides uniform travel expense reimbursement guidelines. The following types of travel expenses are eligible to be paid with a P-Card:

1. Conference Registration Fees
2. Lodging Fees
3. Taxi or other Transportations Fees (i.e. Uber; Bus; Subway)
4. Parking
5. Airline and Train Tickets
6. Rental Cars

The P-Card **shall not be used** for cash advances, personal purchases or identification, telephone calls, meals, tips or any type of food purchase. **See also Section 3.8-Usage Restrictions** for more detailed information. The Jefferson County Sheriff's Department may use the P-Card to purchase for meals and food for inmate/detainee transport purposes. *Any additional exceptions will be handled on an individual basis with the Program Coordinator.*

3.7 Hospitality

Hospitality expenses are the provision of food, beverages, activities, or events for the purpose of promoting the local government. Specific documentation requirements exist for hospitality expenditures and that documentation must remain consistent regardless of the method of payment. In addition to other documentation requirements, each hospitality event/function must be supported by an itemized receipt/invoice and a sign-in sheet (by first and last name) of function attendees. Hospitality documentation should be retained for inspection. See **Attachment D-Request/Approval for Hospitality Service**.

3.8 Usage Restrictions

The P-Card can only be utilized for government related purposes. West Virginia Code §11-8-26 states in part that "a local fiscal body shall not expend money or incur obligations for an unauthorized purpose". Furthermore, WV Code §6-9-2(c) stipulates that it is unlawful for any person to use a local purchasing card in any manner which is contrary to the types of payments authorized by the Auditor and governing policies and procedures. The following types of purchases are not authorized:

1. Cash Advances
2. Gift Cards or any kind of gift certificate.
3. Purchases that are non-public in nature that would otherwise be considered an unauthorized expenditure (including personal purchases or identification).
4. Personal purchases which are then reimbursed to the County.
5. Meals (except for JCSO inmate/detainee transport meals) that are not employee overnight travel or meals specifically excluded from taxability under IRS rules and regulations (See IRS Publication 5137 Fringe Benefit Guide) related and/or related to hospitality (as defined in Section 3.7).

6. Returned goods should be credited to the P-Card. Debit cards, gift cards, store credit, or cash are not an acceptable method of receiving funds for returned goods.
7. Any purchase that violates the provisions of The Ethics Act (WV Code §6B-1)
8. Alcoholic Beverages other than for resale
9. Telephone calls/ monthly service (except for county-wide utility/telephone/cellphone bills)

A Cardholder who makes unauthorized purchases or carelessly uses the credit card may be liable to County for the total dollar amount of such unauthorized purchases plus any administrative fees charged by the Bank in connection with the misuse. The Cardholder's P-Card privileges may be revoked (permanently or temporarily); and the Cardholder may also be subject to disciplinary action up to and including termination of employment.

Section 4.0: Transaction Documentation, Reconciliation and Review

Cardholders are responsible for the review, acknowledgement or dispute of all transactions that appear on their P-Card statement. Proper documentation (defined in Section 4.1) must be obtained and maintained for each transaction placed on the P-Card and must be maintained for inspection in accordance with record retention guidelines.

4.1 Documentation Requirements

Each Cardholder must prepare an **electronic Purchase Card Statement** in the County's automated financial system, Tyler Technologies. This electronic process includes: uploading an electronic, itemized receipt as well as all available shipping documentation; entering a description of the purchase or payment; general ledger account coding for budgetary purposes; and electronic approval/signatures.

If the Cardholder does not have access to the County's automated financial system, the cardholder must prepare an *Individual Purchasing Card Log Sheet* (Attachment E) on a **monthly** basis and submit it to the card verifier (supervisor/ approver) for approval. The card verifier shall submit the completed monthly log sheet and itemized receipts to the P-Card Coordinator. Each charge must be listed with all the pertinent information. The Cardholder must enter R- reconciled; D-disputed; C- carryover (charge not yet showing on statement). Detailed, itemized receipts must be attached to the **monthly Individual Purchasing Card Log Sheet** and then submitted to the card verifier/supervisor for approval. The Cardholder should also attach their monthly billing statement to the *Individual Purchasing Card Log Sheet* and itemized receipts.

All receipts for P-Card purchases must be detailed and itemized and be present for all charges on the Cardholder's statement. Receipts should show all items purchased, not just a total amount. The same would apply for restaurant receipts. **Payment-alone signature receipts will not be considered by the County or WV State Auditor as proof of the purchase** if it is not accompanied by the vendor's itemized receipt. In addition to itemized receipts and when available, proof of purchase shall also include documentation such as packing slips, invoices, cash register tapes, purchasing card slips, etc.

The cardholder is responsible for checking that the invoice or receipt provided by the vendor lists the quantity, fully describes the item(s), excludes sales tax, and does not make arithmetic errors prior to the Cardholder signing the slip to complete the transaction.

To document **online purchases, the Cardholder should make a copy of the screen that indicates the purchase was paid with a credit card. The screen print should also show the date of the transaction,**

items purchased, and the total dollar amount. Just like other purchases, on-line purchases must be documented with detailed/itemized receipts.

When making a purchase by **Telephone**, inform the vendor that the purchase is tax exempt, the cardholder shall also document the transaction by retaining all invoices or shipping documentation for the electronic **Purchase Card Statement** or manual *Purchasing Card Log*.

4.2 Review of Transactions

Each Cardholder is assigned a **Card Verifier** which is an employee(s) within the organization responsible for verifying that all charges against the Cardholder's account are backed up by proper supporting documentation for each purchase, the goods were received or the services were performed, the cardholder has complied with applicable procedures, and the charge is appropriate for the operations of the County.

The **Card Verifier** must document approval through an electronic signature on the Cardholder's **monthly** electronic Purchase Card Statement or a signature on the Cardholder's **monthly Local Government Purchasing Log Sheet**. The signature of the Card Verifier indicates the cardholder was authorized to make the purchase and that the purchase was made in accordance with applicable procedures.

Any suspicious transactions should immediately be brought to the attention of the **P-Card Coordinator** and the appropriate management level of the County. Any discrepancies must be investigated and resolved. The disposition of each discrepancy must be documented and retained with the supporting documentation and/or statement of account. Cardholders are accountable for all discrepancies.

After all transactions have been reviewed and verified, the **Card Verifier** must forward the supporting documentation and individual account statements to the primary **P-Card Coordinator** who receives the master billing statement.

If the cardholder does not have documentation of a transaction listed on the monthly statement, he or she shall attach an explanation that includes a description of the item(s) purchase, date of purchase, Vendor's name and reason for the lack of supporting documentation. Three "lack of supporting documentation" shall cause the cardholder's card to be revoked; and, the Cardholder may also be subject to disciplinary action up to and including termination of employment.

P-Card Returns - If an item is not satisfactory, received wrong, damaged and/or defective, a duplicate order, etc, the following steps should be followed:

1. The cardholder makes contact with vendor to obtain a "Return Material Authorization" (RMS) number. Every vendor has different return policies. Make sure your return meets their criteria without incurring a restocking fee.
2. The item(s) to be returned need(s) to be repackaged in the original manufacturer's carton.
3. Using the County's *Return Merchandise Form* (Attachment F), fill in all information as completely as possible.
 - a. Enclose one copy in box being returned.
 - b. Keep one copy for your records and the Purchasing Log.

A credit voucher or email should then be received from the vendor. After the item has been returned and received by the vendor, a P-Card credit will be processed by the vendor. The cardholder shall verify that this credit is reflected on the next monthly statement. If the vendor has not replaced or corrected the item by the date the Cardholder receives his/her monthly statement, then the purchase of that item will be considered in dispute.

Disputed Charge - If the Cardholder is disputing a charge, he or she shall complete a disputed charge report and include it with the monthly P-Card Log. See *Statement of Disputed Item(s)* form (Attachment G)

If the Cardholder's monthly statement lists a transaction where the goods have not been received or there is some other discrepancy, the Cardholder should resolve these items prior to sending an approved monthly statement to the P-Card Coordinator. Most exceptions can be resolved between the Cardholder and the Vendor. If the dispute cannot be settled at this level, the Cardholder shall notify the P-Card Coordinator and provide the P-Card Coordinator a copy of all correspondence.

Transactions not appearing on Statement - If purchased items or credits are not listed on the monthly statement, the appropriate transaction documentation shall be **RETAINED** by the Cardholder until the next monthly statement. If the purchase or credit does not appear on the statement within 60 days after the date of purchase or return, the Cardholder or Card Verifier shall notify the P-Card Coordinator and provide a copy of all correspondence to resolve and reconcile the statement.

4.3 Account Coding

The Card Verifier is responsible for assuring all expenditures are assigned to their appropriate line item in the County's general ledger on a monthly basis; and, that the purchase is within budget. Account coding is also reviewed by the accounts payable clerk, the chief financial officer, the P-Card Coordinator, and a commissioner.

Technology is provided for importing of p-card data and default account coding for Cardholder's transactions. Cardholders have default coding in which purchases are assigned automatically to a specific account. The Card Verifier is responsible for periodically reviewing this coding and related charges to ensure the coding is proper.

4.4 Payment Process

County Officials are responsible for ensuring that the master billing account is paid in full every month.

The County shall remit all P-Card payments directly to the financial institution. The financial institution should receive payments within twenty-five (25) successive, calendar days after the billing cutoff on a standard monthly payment cycle.

The County is required to pay the balance due regardless of pending credits or disputed transactions. Resolved disputes and credits will be applied to subsequent bank statements or checks will be issued by the financial institution directly to the County. If the County fails to make required payments in a timely manner, the **State Auditor** may prohibit further participation in the program.

Section 5.0: Fraud, Misuse and Abuse

5.1 Fraud

Fraud is a deception deliberately practiced in order to secure unfair or unlawful gain. For example, fraud occurs when the cardholder's account information has been intentionally utilized for personal gain. Intentional use of the P-Card to make purchases for personal use or non-state business is fraudulent and is prohibited.

If a Cardholder fraudulently uses their P-Card, the following actions could potentially take place:

- A Cardholder who makes unauthorized purchases or carelessly uses the credit card may be liable to the County for the total dollar amount of such unauthorized purchases plus any administrative fees charged by the financial institution in connection with the misuse.
- The Cardholder may have their card privileges revoked.
- The Cardholder may be subject to criminal prosecution.
- The Cardholder may also be subject to disciplinary action up to and including termination of employment.

Instances of unlawful use, possible fraud, misappropriation, or mismanagement with the P-Card shall be reported immediately to the County **P-Card Coordinator**. The **P-Card Coordinator** shall report all aforementioned instances to the **State Auditor's Office** Local Government P-Card Division within 24 hours of his or her discovery. Notification of card misuse to the **State Auditor's Office** Local Government P-Card Division is **REQUIRED**, even if the instance was handled internally by County Officials.

The potential penalties for the unlawful use of a local purchasing card are outlined in West Virginia Code §6-9-2c, a through d which states the following:

“(a) It is unlawful for any person to use a local government purchasing card, issued in accordance with the provisions of section two-a of this article, to make any purchase of goods or services in a manner which is contrary to the provisions of section two-a of this article or the rules promulgated pursuant to that section.

(b) It is unlawful for any person to knowingly or intentionally possess with the intent to use a purchasing card without authorization pursuant to section two-a of this article or the rules promulgated pursuant to that section.

(c) Any person who violates the provisions of this section is guilty of a **felony** and, upon conviction thereof, shall be confined in a state correctional facility not less than one year nor more than five years, or fined no more than \$5,000, or both fined and imprisoned.

(d) A violation of this section may be prosecuted in the county in which the card was issued, unlawfully obtained, fraudulently used, used without authorization, or where any substantial or material element of the offense occurred.”

Failure to comply with P-Card Policies and Procedures, rules, and law associated with the Local Government P-Card Program may result in revocation or limitation of P-Card privileges, a period of probation, or mandatory P-Card training in addition to any other discipline deemed necessary or appropriate by the County.

5.2 Misuse and Abuse

Misuse/Abuse is the improper, unlawful or incorrect use, compromise or misapplication of the P-Card. Examples include:

- Failure to maintain security protecting your P-Card.
- Paying for items in which the P-Card is not authorized for payment.
- Purchase of authorized goods or services, at terms (e.g. price, quantity) that are excessive.

If a Cardholder fraudulently uses their P-Card, the following actions could potentially take place:

- A Cardholder who makes unauthorized purchases or carelessly uses the credit card may be liable to the County for the total dollar amount of such unauthorized purchases plus any administrative fees charged by the financial institution in connection with the misuse.
- The Cardholder may have their card privileges revoked.
- The Cardholder may be subject to criminal prosecution.
The Cardholder may also be subject to disciplinary action up to and including termination of employment.

Section 6.0: Program Monitoring

6.1 County Review

County Officials are encouraged to conduct random reviews of transactions within their program. Various reports are available through the financial institution's online management website or through the Local Government P-Card Division. Coordinators should be knowledgeable of the types of transactions appropriate for cardholders within their area of responsibility and review, and have the authority to request documentation for any transaction appearing on a cardholder's account.

The P-Card Coordinator – The P-Card Coordinator (or CFO if a separate P-Card Coordinator has not been designated) shall be responsible for the implementation and enforcement of the following procedures that include but are not limited to:

- Responsible for reviewing all cardholder electronic or paper P-Card *Individual Log Sheets* submitted to the County and ensuring all P-Card guidelines and regulations are followed.
- Periodically review all charges and accounts.
- Submit and process all P-Card cardholder limits, terminations, issuance, and changes. Document accordingly.
- Ensure all appropriate cardholders attend P-Card annual training.
- Arrange P-Card training through the state's P-Card office personnel.
- Ensure each cardholder has signed a P-Card Cardholder Agreement form and the original is in their office. Report any abnormalities or suspicious activities to the County Administrator.
- Liaison for cardholder questions.

Cardholder – The Cardholder (all personnel issued purchasing cards) under this procedure shall be responsible for the purchasing card and its use in accordance with the policy and procedures, including annual training.

County Commissioner - As appointed by the Commission, a Commissioner is responsible for reviewing and signing off on each cardholder's *P-Card Log Sheet* before payment to the Financial Institution is made. The purpose is to ensure the P-Card Coordinator and staff are following protocols. The Commissioner should **report any abnormalities or suspicious activities to the County Administrator.**

Chief Financial Officer – The Chief Financial Officer is responsible for reviewing and signing off on each cardholder's *P-Card Log Sheet* before payment to the Financial Institution is made. The purpose is to ensure the P-Card Coordinator and staff are following protocols. The Chief Financial Officer should **report any abnormalities or suspicious activities to the County Administrator**

Accounts Payable – The Accounts Payable clerk shall:

- Ensure attendance to annual P-Card training.
- Process P-Card payments in a timely and efficient manner.

- Compare P-Card master bill to individual bills and ensure each charge is accounted for. Notify the P-Card Administrator and County Administrator when there is anything of a suspicious nature, when someone uses the card for a personal reason, or when you are asked to withhold payment by an employee or Department Head.
- Ensure P-Card Coordinator has had all signatures and reviews as required.

6.2 State Auditor's Office Review

The State Auditor's Office may perform a review or examination of the County's P-Card Program at any time and issue a report that contains suggestions for improvements to the program. This evaluation may be conducted by the Local Government P-Card Division or the Chief Inspector Division to determine compliance with Local Government P-Card Policies and Procedures. Relevant documentation related to the administration of the Local P-Card Program should be provided upon request.

6.3 Failure to Follow P-Card Policies and Procedures

The **State Auditor's Office** may limit or revoke P-Card privileges, institute a period of probation or require mandated training for any County, if that County is found to have violated P-Card policies and procedures and failed to take corrective action.

Section 7.0: Miscellaneous

7.1 Record Retention

The County shall maintain all documentation in the County's automated financial system, Tyler Technologies, relating to the P-Card Program (cardholder applications, agreements, maintenance forms, training certificates, and transaction support documentation) until a post-audit review has been completed by either the State Auditor's Office Chief Inspector Division or a firm approved by the Chief Inspector. Furthermore, the County shall maintain these records for the minimum time period designated with governing laws and local rules and regulations.

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JEFFERSON COUNTY PURCHASING CARD PROGRAM

REQUEST FOR PURCHASE CARD (P-CARD)

A P-Card is requested for the following employee:

Name: _____

Title: _____

Department: _____

Telephone Number: _____

Restricted Purchases:

Monthly Credit Limit: requested \$ _____

Single Transaction Limit \$ _____

Number of Transactions per day _____ (20 or less transactions is the standard)

Number of transactions per billing cycle _____

Department Head: _____ Date: _____
(Signature)

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JEFFERSON COUNTY PURCHASING CARD PROGRAM

LOST/STOLEN CARD NOTIFICATION

Card was: ___ Lost ___ Stolen ___ Other (Describe) _____

Cardholder Name: _____

Account Number: _____

Date Called Into Bank: _____

Approved By: _____

For Jefferson County

Date: _____

Cardholder/Authorized Signer's Name: _____

LOST OR STOLEN LG P-CARDS MUST BE REPORTED IMMEDIATELY TO FIFTH THIRD BANK AT 1-800-375-1747.

THE CARDHOLDER MUST COMPLETE THE FORM AND IT MUST BE SUBMITTED WITHIN 24 HOURS OF THE CARD LOSS TO THE P-CARD COORDINATOR. THE COORDINATOR WILL COMPLETE A CARD MAINTENANCE FORM AND SEND IT TO THE WV LG P-CARD PROGRAM.

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JEFFERSON COUNTY PURCHASING CARD PROGRAM

CARD DESTRUCTION NOTICE

The attached P-Card was destroyed for the following reason (please check one):

____ P-Card had been reported as lost and was subsequently found.

____ Cardholder has left employment with the County.

____ Cardholder has transferred to another department within the County.

Other: _____

Cardholder Name (signed): _____

Cardholder Name (printed): _____

Department Head Signature: _____

Date: _____

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Attachment D: Hospitality Form

Jefferson County Commission

REQUEST/APPROVAL FOR HOSPITALITY SERVICE

SPENDING UNIT NAME _____

CONTACT PERSON _____

TELEPHONE NUMBER _____

FUNCTION SPONSOR _____

LOCATION OF FUNCTION _____

DATE(S) OF FUNCTION _____

EXPENSES:

Instructions: After approved event is conducted, attached receipts must correspond to the actual expenses listed for the event.

	Estimated	Actual
FOOD AND BEVERAGE	_____	_____
MEETING ROOM	_____	_____
EQUIPMENT RENTAL	_____	_____
LODGING	_____	_____
OTHER/	_____	_____
OTHER/	_____	_____
OTHER/	_____	_____
TOTAL	\$ -	\$ -

PURPOSE/JUSTIFICATION OF FUNCTION:

FUNCTION ATTENDEES (Must list individual names unless for a group of 20 or more. A list of attendees for groups of 20 or more must accompany the form):

PRE-EVENT AGENCY AUTHORIZATION FOR THE ABOVE FUNCTION

By: _____
Function Representative's Signature Date

By: _____
Agency's Head Signature Date

POST-EVENT AGENCY APPROVAL FOR THE ABOVE FUNCTION

I have reviewed the actual expenses and related receipts for this event and it is an accurate and true representation and in accordance with JEFFERSON COUNTY COMMISSION policies and procedures.

By: _____
Function Representative's Signature Date

By: _____
Agency's Head Signature Date

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JEFFERSON COUNTY PURCHASING CARD PROGRAM

RETURN MERCHANDISE FORM

Return to (Vendor): _____

From (Cardholder): _____

Account Number: _____

Sales Order Number: _____

Date of Transaction: _____

Amount of Transaction: _____

Description of Merchandise: _____

Reason for return:

Wrong item received

Damaged

Duplicate Order Defective

Did not like product

Other:

Detail _____

Cardholder Signature: _____

Date: _____ Phone: _____

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JEFFERSON COUNTY PURCHASING CARD PROGRAM

STATEMENT OF DISPUTED ITEM(S)

Cardholder Name: _____ Phone Number: _____

Vendor Name: _____

Transaction Amount: _____ Transaction Date: _____

The above referenced transaction is being disputed for the following reason(s):

- There is a difference in the amount I authorized and the amount I was billed. (A copy of your charge must be enclosed).
- I only transacted one charge and I was previously billed for this sales draft. (Date of previous Charge: _____)
- The above transaction is mine but I am disputing the transaction. (Please state your reasons why in detail.) _____
- I do not recognize the above transaction.
- I have received a credit voucher for the above transaction, but it has not yet appeared on my account. (A copy of the credit voucher must be enclosed).
- My account has been charged for the above transaction, but I have not received this merchandise. The details of my attempt to resolve the disputes with the merchant and the merchant's response are attached/indicated below.

- My account has been charged for the above transaction, but the merchandise has since been returned. (Please enclose a copy of your shipping receipt).

Signature: _____ Date: _____

Attach or upload completed form to your monthly LG P-Card statement for review and approval of your department head.

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