

Madison County

Purchasing Card Policy and Procedures

Purpose

To establish a policy for obtaining and using a Madison County issued purchasing card. This policy is applicable to ALL departments that use a purchasing card to conduct County business.

Overview

The use of purchasing cards has been proven to be a cost effective method of obtaining low cost supply and service items for the County. Some travel and training costs may also be handled best through the purchasing card process.

General Policies

Authorization

Purchasing cards may be issued, with Department Head/Elected Official approval, to those authorized to make official County purchases from a supplier.

A cardholder agreement form (Purchasing Card Compliance Agreement - Attachment A) must be signed by the cardholder upon the department's receipt of a purchasing card and prior to use of a purchasing card. When the Department Head/Elected Official signs this agreement, he or she is verifying agreement to the conditions of use.

In coordination with the bank and the program administrator, the purchasing card will be issued. The site administrator will be asked to acknowledge receipt of the purchasing card by signing the Purchasing Card Agreement.

Use and Storage of Purchasing Card

It shall be the policy of Madison County that purchasing cards may be used for the purchase of materials, supplies, and services resulting from the conduct of legitimate County business.

Cardholders must exercise good judgement and act responsibly when using the purchasing cards. A card issued to a department of Madison County with multiple users shall be the full responsibility of the Department Head/Elected Official.

As indicated above, the purchasing card is to be used in the conduct of County business only. The use of a Madison County purchasing card to acquire or purchase goods and services other than the official use of Madison County is fraudulent use. An employee guilty of fraudulent use may be subject to disciplinary action, up to and including termination and legal action. Any department that does not honor the procedures and documentation in a consistent and regular pattern that is required for using purchasing cards may lose the right to use a purchasing card.

Before each use, purchasing cards should be signed out and logged properly, using the Madison County Transaction Log form, provided by the Finance Department. Cards should be kept in a secure and locked location, and indicated on each department's internal control policy. Cards should not be kept with employees – unless signed out properly for a specific purpose and time.

If the card is lost or stolen, the department has the responsibility to immediately contact the accounts payable department at Finance. The purchasing card administrator will deactivate the card and request a replacement card. The physical security of the purchasing card is the ultimate responsibility of the Department Head/Elected Official and should be kept in a secure location within the department at all times.

Payment of Purchasing Card

For the purchasing card process to operate efficiently, departments must adhere to all card procedures. Employee absences should be anticipated and arrangements made to ensure timely processing of purchasing card transactions. Departments must ensure that sufficient funds are available to pay for anticipated purchases. Available balances will be available online at the Bank of America "Works" Website.

The satisfactory receipt of goods or services is the responsibility of the Department Head/Elected Official. **All receipts are to be itemized.**

- The purchaser is responsible for ensuring that each receipt contains enough information to properly identify the individual items purchased.
- Information shall include the date, dollar amount and brief description which includes the individual items purchased.
- If the receipt is lost or unavailable, the purchaser must complete a Lost Receipt Form for the receipt along with an explanation of the reason for the missing receipt. The Department Head/Elected Official must sign the Lost Receipt Form acknowledging that he or she is aware of the situation. If a pattern of missing invoices is established, the employee may be subject to disciplinary action.
- Resolution of discrepancies is the responsibility of the department. The Site Administrator shall contact the Purchasing Card Administrator to make any official dispute to the card issuer using the issuer's applicable form if unable to resolve the dispute with the vendor.

Compliance

In addition to compliance with the Purchasing Card policy, all purchasing card activity is subject to compliance with Madison County's Purchasing policy and any other pertinent County policies, laws and regulations that may govern the purchase. Each Department Head/Elected Official agrees to comply with all audit requests and provide any additional information needed pursuant to the audit.

Random Audits

Internal audit will randomly, or as directed by the Finance Director, audit purchasing procedures, statements and associated supporting documentation to ensure purchases are made in accordance with guidelines set forth in this policy and agreed upon by the Department Head/Elected Official.

Consequences

Failure to comply with the Purchasing Card Policy may result in the revocation of the purchasing card from the department.

Exceptions

The general guidelines set forth in this policy are not expected to address every issue, exception or contingency that may arise in the use of County purchasing cards. Accordingly, the basic standard that should always prevail in dealing with exceptions is the exercise of good judgment in the use and stewardship of the County's resources.

Attachment B:

**MADISON COUNTY
P-CARD
LOST RECEIPT FORM**

Date of Purchase:	
Merchant Name:	
Amount of Purchase:	

Description & purpose of purchase:

Why is the original receipt or appropriate documentation missing?

I certify that I have contacted the merchant and was unable to obtain a copy of the purchase documentation. I also certify that this purchase was made for an official County business purpose.

Purchaser signature:	
Purchaser printed name:	

Form must also be approved by supervisor that has authority to approve p-card purchases or has requisition approval authority for other purchases.

Supervisor approval signature:	
Supervisor printed name:	

This form is to be used as documentation only if the actual receipt, invoice, internet order screen, or appropriate substitute is unavailable for a purchase made on a p-card. It must be filled out completely and signed by both the purchaser and a qualified supervisor.