

RACINE COUNTY PURCHASING CARD (P-Card) USER MANUAL

The Purchasing Card (P-Card) Program was designed to provide a more rapid turnaround of requisitions for dollar items valued less than \$5,000 and to reduce administrative paperwork and handling costs. By using your County-issued P-Card, you dramatically shorten the traditional purchasing process as you are not required to have a purchase order prior to purchase for any qualified purchase less than \$5,000.

The P-Card Program will:

- Provide users with select goods and services in an efficient manner.
- Provide that participating vendors are paid within one (1) to two (2) days of the transaction.
- Reduce paperwork and processing time throughout the procurement chain, thereby increasing efficiency in the purchasing process.
- Save Racine County money by reducing transaction costs.

This P-Card Manual explains your responsibility as a cardholder. The cardholder privileges that have been extended to you could be jeopardized if you fail to follow the guidelines in this manual.

Information regarding the P-Card program and forms can be found in your folder or on the Website, [https://www.racinecounty.com/departments/how-do-i/employee-homepage/finance/P-Card Program](https://www.racinecounty.com/departments/how-do-i/employee-homepage/finance/P-Card%20Program).

If you have any questions, please contact a P-Card Program Administrator.

Respectfully,

Duane McKinney

Purchasing Manager/P-Card Administrator

RACINE COUNTY PURCHASING CARD (P-Card) MANUAL

Racine County's (the County) P-Card is easy to use and will provide you with an invaluable tool to accomplish your job in a more efficient and effective manner. Your adherence to the policies and procedures stated in this manual will result in efficient purchasing, accurate record keeping and prompt payment to Racine County's vendor suppliers.

The purpose of this manual is to establish protocols that detail the use of County-issued P-Cards provided to authorized personnel. Topics covered in the following sections are:

1. Introduction to the Purchasing Card Program
2. Approved/Non-Approved P-Card Use
3. Purchase Transaction and Recordkeeping Procedures
4. Reconciliation and Payment Procedures
5. System Control, Security, and Audit Processes
6. Violation Policy

As a cardholder for the County, you are being entrusted with the responsibility for making wise expenditures of County funds. Please read the information in this manual carefully.

SECTION ONE: INTRODUCTION TO PURCHASING CARD PROGRAM

BASIC PROGRAM FEATURES

The program is designed to accommodate the speedy acquisition of low dollar items and repetitive type purchases using a commercial merchant card. The program allows for central coordination, control, and payment by the Racine County Finance Department while also allowing cardholders, department coordinators, and program administrators real-time reports.

The system has been designed to block transactions, by certain vendor types, of unauthorized product purchases that are not allowed by the County to its system user cardholders.

BENEFITS OF THE PURCHASING CARD PROGRAM

- The total cost associated with obtaining necessary goods and services are far less on a transaction-by-transaction basis.
- The time necessary to achieve needed goods is vastly improved.
- Paperwork is greatly reduced.
- The number of invoices and checks needed is greatly reduced.
- Suppliers are paid in one (1) or two (2) days as opposed to thirty (30) or more, thereby improving their cash flow.

KEY TERMS

Approving Official: The cardholder's immediate supervisor or department authorizer who will be reviewing and approving their purchasing card purchases.

Audit: A review of purchasing card purchases by either the Finance department or the Purchasing Card Administrator to ensure that use of the card conforms to policies and procedures defined in this manual.

Bank Statement: Cardholders total transactions for the period of a payment cycle (one month). The County billing cycle begins on the 26th of the month and ends on the 25th of the following month. Workflow approvals are required to verify that the purchases have been reviewed and verified.

Cardholder: Person designated by his/her department head to have purchasing authority and who is required to make purchases as part of their job.

Cardholder Agreement: An agreement that outlines the cardholder's responsibilities. The cardholder is required to attend a cardholder training session. At the end of the training session, the cardholder will be asked to sign the Cardholder Agreement which signifies their understanding of responsibilities.

Cardholder Limits: There are limits built into the purchasing card that control dollar amounts, how many times a card can be used, and where the card can be used. These limits have been established by your department head. Emergency purchases up to \$1,000 can be made at any time with the department head approval and a written report to the County Executive and Purchasing Card Administrator. Emergency purchases that exceed \$5,000 must be approved by the County Executive. Non-emergency purchases over \$5,000 requires a purchase order prior to purchase being made.

Department Coordinator: Aggregates all receipts and statements for the department (i.e., Sheriff, Facilities Mgmt.) and either enters the statements or send to Finance to enter the statements.

Dispute: A disagreement by the cardholder on specific charges by a supplier.

Purchasing Card Administrator: Duane McKinney, Purchasing Manager, or current Purchasing Manager.

Purchasing Card Payment Record: All charges must be properly coded and assigned orgs and objects within our financial software Tyler Munis. Training will be provided after the cardholder has accumulated a few charges in which to work with.

BASIC PROGRAM MATERIALS AND FORMS

Purchasing Card (P-Card) – The County P-Card has the County logo imprinted on its face. The Wisconsin Certificate of Exempt Status number (008-1020421904-06) also appears on the face of the card under the cardholder's name. The card has three logos, the Racine County logo, the Visa Card logo, and the US Bank account logo imprinted on the P-Card to avoid confusion with personal credit cards.

Purchasing Card Cardholder's Agreement – The agreement documents the user's understanding of P-Card program requirements and cardholder use obligations. The form must be executed by the cardholder prior to the Finance Department's release of the card to the cardholder for cardholder use. This form documents an understanding of the key responsibilities of the cardholder. The original signed agreement will be retained within the files of the Finance Department P-Card Program Administrator. The other duplicate copy will be provided to the cardholder.

Account Statement – Includes the account statement (downloaded from US Bank Access Online), bi-weekly on Mondays.

Period Expense Report with signature line – This report must be printed (upon download from US Bank Access Online) at the end of each statement cycle (cycles end on the bi-weekly on Mondays) and must include all transactions from the statement cycle. All supporting documentation should clearly indicate the business purpose on its front. If for some reason, an individual is unable to report to work to reconcile their P-Card by the required date of report submission, then someone else in their department should be able to easily locate their P-Card transaction materials and complete the process for them in their work absence.

Vendor Receipts – Corresponding itemized receipts and other relevant documentation related to each charge detailed on the account statement report with signature lines.

Cardholder Dispute Form – This form is utilized when requesting a purchase dispute review by US Bank for a disputed account charge (form can be found in your folder).

Affidavit of P-Card Receipt Form – This form is to be completed if the vendor receipt was not received or was misplaced or lost by the cardholder. Amounts exceeding \$100 must have a department head signature. It should be attached to the P-Card Statements in place of the vendor receipt. It must be completed in full and signed by the cardholder. The use of this form will be limited to two (2) times per rolling year and excessive use will lead to suspension of the user's p-card. This form may not be used for expenses being charged to a state or federal grant.

PROGRAM RESPONSIBILITIES

To ensure a successful P-Card program, it is necessary that all participants understand how the administrative system operates. Key personnel and their responsibilities in the system are as follows:

Users/Cardholders

All users are responsible for adhering to all policies and procedures of the P-Card program as summarized in this user manual, including but not limited to, the following:

1. Attend a mandatory P-Card training session.
2. Review and sign the Purchasing Card Cardholder's Agreement.
3. Read and be familiar with the Purchasing Card User Manual.
4. Call to activate the card when released to your possession by the Finance Department.
5. Protect your account number and keep the card in a secure place. Each cardholder's number is unique to the holder. Do not give or lend the card to anyone else and do not use another cardholder's P-Card.
6. **Immediately report the loss or theft of your card to US Bank at 1-800-344-5696 (24 hours/day).** Then notify the Program Administrator of the loss.
7. Never use the card for personal use. The card is only to be used for qualified purchases authorized by the County.
8. Stay within authorized spending limits and do not split charges (splitting a purchase over a transaction limit into more than one transaction so that they are under the not to exceed transaction limit).
9. Make only authorized P-Card purchases. Never use your card to purchase capital equipment that has not been approved in advance.
10. Your card cannot be used to obtain cash. Your card is not authorized for certain kinds of purchases including, but not limited to, liquor, entertainment, and recreation.
11. Acquire an itemized sales receipt for all purchases. For phone or online orders, request that a detailed receipt be faxed, e-mailed, or sent directly to yourself – the cardholder.
12. If Wisconsin sales tax appears on your statement, you must pay it and obtain a credit from the vendor unless your department head approves the County paying the sales tax. Watch for the credit to appear on your next statement. Some sales tax may be hard to be refunded, in that case the department head can approve the tax. Note: Racine County is exempt from Wisconsin Sales Tax or Federal Excise Tax.
13. Pay for all items on your statement in full. Pay for all disputed items and file a dispute form with US Bank.
14. If you need to return an item that you purchased on your P-Card, follow the procedures outlined in Section Three of this manual. Do not accept a cash refund from any vendor. Returned items must have the refund amount credited back to the cardholders P-Card account.
15. You are responsible for all transactions made using your card and can be held accountable for these purchases in accordance with the Purchasing Card Cardholder's Agreement that you have signed.
16. Complete and submit your bi-weekly account statement timely and accurately. Write legibly and include all required signatures and account numbers.

17. Although the card is issued in your name, it is the property of the County. Your authority to use the card can be revoked at any time upon the decision of the department head or a Program Administrator. Use of the card is subject to audit. When a card user's employment in his/her current position ends, the user must return the card to the department head or a Program Administrator. This includes transfers to a new department, termination, retirement, etc.

Program Administrators

The County will assign Program Administrator rights to key County personnel. The current Program Administrators and Department Contacts are listed on the Website under Finance Department. Responsibilities include, but are not limited to, the following:

1. Reviewing and approving all requests for new P-Cards.
2. Requesting new cards from US Bank.
3. Performing P-Card audits as determined necessary.
4. Assist with dispute resolution when cardholders cannot resolve directly with the vendor.
5. Overall coordination and management of the P-Card Program for the County.

SECTION TWO: APPROVED/NON-APPROVED P-CARD USE

APPROVED P-CARD PURCHASES

- Maintenance, repair, or operating parts.
- Office supplies.
- Training including registration and hotel charges.
- Software subscriptions (with approval from the Information Technology Department).
- Publications.
- Repetitive type purchases normally purchased with an open purchase order that are approved by your supervisor.
- Emergency purchases where life and/or safety are at issue and the Finance Department is unavailable (weekend, holidays, evenings).
- Any other qualified item that is less than \$5,000 or less than your card's maximum cycle dollar limit.

Always check if a vendor is willing to accept payment via the County P-Card. Other purchase opportunities should always be considered for the P-Card program as the County encourages the use of the P-Card for qualified county purchases. Transaction limits can be temporarily increased by the Finance Department to accommodate any contemplated qualified purchase. Please direct suggestions for additional County P-Card purchase opportunities to your Department Coordinator or a Program Administrator.

NON-APPROVED P-CARD PURCHASES

- Alcoholic beverages, tobacco, drugs, or pharmaceuticals (with the exception of Health and Jail services).
- Meals or restaurant purchases with preapproval from the department head.
- Cash advances (ATM machines) or cash back transactions.

- Flowers or jewelry.
- Temporary employment services.
- Tuition reimbursement.
- Piggy backing with another cardholder to exceed set dollar limit.
- Purchases that are split to circumvent the \$5,000 transaction limit.
- Purchase of supplies for a department other than the cardholder's department (unless previously authorized).
- Purchases for personal use are strictly prohibited.
- Purchases which fail to adhere to the policies and procedures as set forth in the P-Card Policy, this manual, and the Racine County Procurement Ordinance.

CARDHOLDER SEPARATION

Prior to separation from the County, the cardholder will surrender the P-Card and their Statement Cycle Package to their Department Coordinator or Supervisor.

If a cardholder transfers to another County department, the same procedure must be followed. If your new department determines you still require a P-Card, it will be returned to you once the Program Administrator receives approval from the new supervisor.

During administrative leave your P-Card may be put on hold until you return to a regular work schedule.

SECTION THREE: PURCHASE TRANSACTIONS AND RECORDKEEPING PROCEDURES

PURCHASES

When making purchases:

- Advise the cashier that the purchase is tax-exempt. The tax-exempt number is printed on the face of the card. (008-1020421904-06). A copy of the County tax exempt certificate is enclosed in your p-card folder.
- When you obtain the transaction receipt (should be itemized), check to be sure there is no tax charged.
- If you are inadvertently charged tax, immediately request a credit for the transaction and a new receipt.
- Upon return to your office, enter the account number on your receipt. If the receipt is less than a full page, tape it to a full sheet of paper. Hold on to all receipts until the end of the cycle period.

RETURNS

If an item is not satisfactory, is damaged and/or defective, or a wrong item is delivered, the cardholder should contact the vendor to explain the problem and follow the return policies established by the vendor. Record the return on the original receipt and staple any credit memos issued to that receipt. Do not accept a cash refund.

If the goods are returned in person, the original receipt must accompany the goods. A copy of the credit receipt for the returned goods must be obtained. Record the return on the original receipt. Attach all credit receipts to the Statement Cycle Package. Again, if any receipt is less than a full sheet, tape it to a full sheet of plain paper. Do not accept a cash refund.

RECORDKEEPING INSTRUCTIONS

A receipt for each transaction must be included in the P-Card Statement Cycle Package. The expense account number must be written on each receipt.

All receipts must be 8.5x11. Any receipt or purchase documentation smaller than 8.5x11 must be **taped** to an 8.5x11 sheet of white paper. All P-Card documentation is scanned into Tyler Munis and attached to the corresponding p-card statement.

Note: If you are unable to produce a receipt for a purchase, you must complete an Affidavit of P-Card Receipt located in your folder or on the Website, [https://www.racinecounty.com/departments/how-do-i/employee-homepage/finance/P-Card Program](https://www.racinecounty.com/departments/how-do-i/employee-homepage/finance/P-Card%20Program).

Transactions can take from 1-3 days to post. Therefore, if you made purchases toward the end of the statement period, they may not appear until the next statement. All transactions are listed in chronological order as processed by the vendor; therefore, this process can be made easier if you file your receipts in the same manner.

Note: Continued failure to submit your receipts/statements in a timely manner will result in your card being suspended or canceled (See Section Six: Violation Policy).

SECTION FOUR: RECONCILIATION AND PAYMENT PROCEDURES

The P-Card carries County, not individual liability. One Countywide bill will be received by and paid for by the Finance Department. Your personal credit rating will not be affected in any way through your participation in the County P-Card program.

DELIVERY OF STATEMENT

Every other Monday, the previous two weeks of activity will be loaded into Tyler Munis and will be available at the cardholder level.

STATEMENT RECONCILIATION

1. Reconcile the charge card statement to the itemized receipts in your P-Card folder.
2. If a transaction does not appear on your current statement, save that receipt and put it back in your p-card folder.
3. If you find a discrepancy in your statement, you should note the disputed item. Contact the Purchasing Administrator, then call the number on the back of your P-Card and report the disputed item. See Incorrect Billing in this section for further dispute process details. Please do the statement with the dispute as per the procedure. Once the dispute is settled then you would receive a credit on your statement to offset the original dispute.

4. Be sure to release your Tyler Munis P-Card statement to your Departmental Approver within five (5) business days of statement release.

Failure to consistently abide by this requirement will be cause for removing the privilege of the P-Card from the offending cardholder (See Section Six: Violation Policy).

STATEMENT APPROVAL PROCEDURES

The Departmental Approver will review the P-Card statement for accuracy and for appropriate purchases for the County.

INCORRECT BILLING

1. In cases of incorrect billing the first thing to do is contact the merchant in question. If a credit is issued to your account, the issue is resolved. If the issue cannot be resolved between the cardholder and the merchant, a dispute will have to be initiated.

Specific reasons for a dispute are as follows:

- You did not authorize the transaction.
- There is a difference between the amount authorized and the amount billed.
- You were double billed.
- You are disputing unacceptable goods. Please do the statement with the dispute as per the procedure. Once dispute is settled then you would receive a credit on your statement to offset the original dispute.
- You have received a credit, but it has not appeared on your statement.
- The transaction is on your statement, but you have not received the goods.
- The transaction has been charged to your account, but you have returned the merchandise.

DISPUTE PROCESS

These steps must be taken when processing a dispute:

- The customer service phone number for cardholders is 1-800-344-5696.
- Reference dispute process located in the front pocket of your folder.
- If an acceptable resolution cannot be obtained, please contact a Program Administrator.

SECTION FIVE: SYSTEM CONTROL, SECURITY, AND AUDIT PROCESSES

PROGRAM CONTROLS AND AUDIT

The P-Card program has the following mechanisms built in to control its use:

- Number of times the card can be used in a single day/per cycle (month).
- Maximum dollar amount of a single transaction.

- Total spending limit per cycle.
- Merchant Category Code (MCC) controls (i.e. where and what is acceptable to purchase).

Your Supervisor/Department Manager/Department Head will decide how to use these controls in their respective department and advise the Program Administrator. All cards will have a maximum dollar cycle limit. All cardholders will be advised of their cycle spending limit when they receive their card.

Cardholders and Department Coordinators will be able to view transaction activity reports via Tyler Munis. A daily report will show all activity by cardholder. Transactions can also be reviewed by Supervisors, Department Managers and Program Administrators as designated. For assistance, please contact the Purchasing Card Administrator.

CHARGE CARD SECURITY

As a cardholder of the County, you are being entrusted with the wise expenditure of County funds. Every effort must be made to protect the security of the card. Please treat the card with the same sense of responsibility you use with your own personal charge cards.

1. Keep your card in an accessible but secure location.
2. Guard the P-Card account number carefully.
3. Never share or loan the Card to another person. It is for your use only.
4. The County is 100% liable for charges made against a lost or stolen card if the cardholder does not follow the lost or stolen procedures as outlined in this manual.

AUDIT REQUIREMENTS

To ensure the success of this program, it is necessary to have an audit system in place. This system has been designed to protect the interest of the County. Audits will be conducted to review:

- Card activity to verify that P-Card procedures are being followed.
- Retention of receipts/sales slips to confirm the correct information is entered into Tyler Munis reporting system.

Audits will be conducted in the following ways:

- Transaction activity reports will contain a report of unauthorized transactions made by cardholders if the vendor did not obtain prior authorization from US Bank. These transactions will be investigated by the Program Administrator/ Department Manager.
- Periodic review of a cardholder's file may be conducted by the Department Coordinator or the Program Administrator.
- Reports of all transaction activity will be available to the cardholder, department coordinator, department head, and the Program Administrator per level authority authorized via US Bank Access Online.

BI-ANNUAL REVIEW OF ACTIVE CARDS

Racine County Finance Department will review the activity on all cards twice a year. Any cardholder noted to be inactive for six (6) months will be suspended until it can be verified that a P-Card is still necessary for their position.

SECTION SIX: VIOLATION POLICY

FAILURE TO FOLLOW ALL P-CARD RELATED POLICIES AND PROCEDURES

As a cardholder of the County, you are responsible for following all stated policies and procedures in relation to your P-Card.

Violations include, but are not limited to:

- Unauthorized, inappropriate, or non-approved purchases.
 - Late submission of statement reconciliations (two (2) statements behind, until caught up to current).
 - Overuse of the affidavit instead of acquiring itemized receipts (more than two (2) per year).
1. The first violation will result in a notification to cardholder, department coordinator, and supervisor. cardholders will have three (3) business days to remedy the violation. If the violation is not successfully remedied within three (3) business days, the cardholder will be suspended until fully remedied.
 2. Repeat violations will result in a notification sent to the cardholder, department coordinator, supervisor, and department head. Cardholder user privileges will be suspended until, a request for cardholder reinstatement is received from the department head, the violation is remedied, if applicable, and other reinstatement criteria are met that are deemed reasonable and appropriate by the Finance Department.
 3. Continued policy violations after department head reinstatement will result in permanent revocation of the cardholder's user privileges.
 4. Cardholders in violation of or non-compliant with the P-Card Policy and procedures will be subject to disciplinary action up to and including termination.