



Cochise County

Public Programs...Personal Service
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COCHISE COUNTY

Purchasing Card Policy

Revised: January 23, 2018

Effective: February 1, 2018

Purpose:

The purpose of this policy is to establish standards for the governance and use of Purchasing cards by employees who are provided a Cochise County card.

The Board of Supervisors has authorized the use of Purchasing cards (Pcards) to improve the efficiency of procuring goods necessary for the conduct of the County's business. Employees entrusted to use Pcards incur a special obligation to ensure that all card transactions are in strict compliance with this policy, the Cochise County Procurement Policy and any other statute or policy and procedure concerning the use of public funds.

After verifying that the items needed are not available through another option of procurement such as an agreement, contract or using a purchase order(PO) or blanket purchase order(BPO), the Pcard should be used as a secondary option for purchasing. Cardholders are encouraged to use the Pcard for low value purchases and travel with the exception of food during travel. If the use of the Pcard is not practical, a standard purchase requisition must be used.

Cochise County also has a Fleet card that is assigned to each vehicle only for purchasing fuel. The policies and procedures associated with the use of the Fleet card are not included in this policy but are available through Fleet Management and can be found in the vehicle assigned.

Definitions:

Approving Official:	Department Head, Elected Official, or their designee who reviews the transaction logs of cardholders in the department.
Card Provider:	Entity that issues the Pcards to Cochise County employees, provides electronic transaction authorizations, and bills the County for all purchases made on the Pcards.
Cardholder:	Any County official or employee to whom a Pcard has been issued. The user of a fuel card assigned to a County vehicle is a cardholder.
Purchasing card:	The card that allows designated employees to charge goods or services to an account for which the County is liable.
Department liaison:	Employee designated by the Department Head or Elected Official to be responsible for reviewing transactions of individual cardholders to make sure the transactions are legitimate business expenses and are classified for accounting purposes appropriately.
Department card:	The Pcard issued to a Department that allows for designated employees to charge goods or services for that Department to an account for which the County is liable.
Fleet card:	The Voyager card, associated with a fleet vehicle, used by the employee assigned to that vehicle to charge gas to an account for which the County is liable.
Program Administrator:	The overall administrator located in the Finance Department who is responsible for the management of the Pcard Program.

- Purchasing Card Administrator: The central Administrator located in the Procurement Department who coordinates the Pcard Program and acts as the County's intermediary in correspondence with the card provider.
- Itemized Receipt: The written detailed documentation of a transaction that must be provided by the vendor when a Pcard is accepted as payment for goods or services. Detail includes, but is not limited to, a description of each item, unit price, extended price, freight, tax, and the total amount of the transaction. **The receipt must also be signed and dated by the cardholder.**
- Purchasing Card log: The listing of transactions, that was downloaded from the card provider, for each individual Pcard within a department to which the general ledger (GL) line information has been added for each purchase.
- Unauthorized transaction: A Pcard transaction that is not in compliance with the Pcard policy.

Policy:

1. Purchases made using the Pcard are purchases made on behalf of Cochise County and therefore, shall be made in the best interest and benefit of Cochise County.
2. Before being issued a Pcard, personnel must read this policy, attend training and sign the Cochise County Pcard User Agreement. No card will be issued unless the minimum training requirements are met. A Pcard may be revoked or canceled if there is failure to adhere to this policy.
3. A Pcard may only be used for purchases under \$1000.00 and up to the maximum extent practicable, when a PO or blanket PO is not an available method of payment. Any exceptions to this policy shall be made through the Pcard Administrator.
4. Each single purchase may be comprised of multiple items, but the total, including freight, shipping, taxes, and fees, shall not exceed the single transaction dollar limit of \$1000.00. **Purchases must not be split to circumvent procurement regulations by swiping the card multiple times or making an identical purchase on subsequent days, etc.** Splitting purchases violates the Cochise County Pcard Policy, the Cochise County Procurement Policy, and the State of Arizona Procurement Code.
5. Cardholders must obtain an itemized receipt for all Pcard transactions. Non-itemized receipts are not acceptable, and may require reimbursement by the cardholder. **Cardholder must sign and date the itemized receipt.**
6. In general, Pcards should not be used to acquire services, i.e., intangible products such as accounting, expertise, extermination, etc. The purchase of services should be done through a requisition with the assistance of Procurement. However, during emergency situations, or those situations which may bring danger to the public or the County's employees, it is recognized that it may be necessary to purchase services using a Pcard. An example would be the towing of a vehicle. If there are questions, please contact the Pcard Administrator.
7. Pcards may be used to provide meals for business meetings and promotional meetings that benefit Cochise County only by the approval of the County Administrator. Please see Cochise County Administrative Procedure #1600-1 - Purchasing Food and Beverages.

8. Pcards must not be used for purchases if the cardholder has a personal interest or knowledge that would create a conflict of interest, or an appearance of conflict of interest (i.e., buying from a relative or close friend).
9. Pcards may not be used by individual employees to purchase uniforms or safety equipment (i.e., work boots, goggles, etc.). Affected employees should purchase these items with advance permission from their Department Head, Elected Official, or designee and then submit the receipts for applicable reimbursement.
10. Specifically, Pcards may not be used to purchase:
 - a. Equipment and other Assets with a cost of more than \$5000.00 (Accountable and Capitalized, therefore, must be tagged)
 - b. Cash advances
 - c. Personal services
 - d. Construction, renovation, or maintenance services of facilities
 - e. Equipment rental
 - f. Cell phones, other telecommunications equipment, data processing hardware and software (does not apply to Information Technology Department)
 - g. Fuel charges for any vehicle, employee or County owned, except for rental car fuel related to documented long-distance travel. County vehicles used for official County business shall be refueled with the fleet card provided with each vehicle.
 - h. Road projects
 - i. Vehicles
 - j. Consultant, instructor, court reporter, interpreters, and speakers
 - k. Alcohol
 - l. Hotel extras (i.e., movies, wet bar stock, etc.)
 - m. Tobacco
 - n. Pharmaceuticals
 - o. Medical services. Exceptions will be made for emergency situations.
 - p. Holiday decorations
 - q. Personal items such as Birthday cards, Birthday cakes, flowers, etc.
 - r. Small kitchen appliances (microwaves, coffee pots, toasters, etc.) used in the work environment. These types of items may be purchased for the County lunch rooms through the requisition process.
11. Pcards may be used to purchase firearms and ammunition only with approval by the County Administrator for authorized departments.

Responsibility:

Cardholders shall be responsible for:

1. Ensuring that cards are used for official County business only.
2. Complying with all applicable Procurement and Pcard policies and procedures.
3. Ensuring that the card is kept in a secure location. Unless necessitated by specific job responsibilities, the card should only be carried when there is an actual requirement to use the card. The card should NEVER be carried while on vacation, or when otherwise out of the workplace or away from job responsibilities for an extended period.
4. Preventing any unauthorized use of the Pcard by unauthorized users.
5. Ensuring that itemized receipts are obtained for every card transaction and maintained for reconciliation.
6. Reporting all suspected fraud to the Pcard Administrator.

7. Adhering to all Finance and Procurement procedures pertaining to the card.

The Department Liaison shall be responsible for:

1. Adhering to all Finance and Procurement procedures pertaining to the card.
2. Notifying the Department Head or Elected Official and Pcard Administrator of any unauthorized or fraudulent use of the card.
3. Ensuring that cardholders are using the card in accordance with the Procurement and Pcard policy.
4. Ensuring that an original itemized receipt is obtained for every Pcard transaction by department personnel.
5. Notifying the Pcard Administrator when a cardholder leaves the employ of the County.
6. Ensuring that there is sufficient budget capacity to cover all Pcard expenditures.

Department Directors or Elected Officials shall be responsible for:

1. Designating employees to whom a Pcard should be issued based upon the duties of the job.
2. Appointing a Departmental Liaison(s) for the Department.
3. Ensuring that cardholders comply with all applicable Procurement and Pcard policies and procedures.

Finance Department shall be responsible for:

1. Establishing and enforcing the Pcard policies and procedures necessary for the administration of the Pcard program.

Procurement Department shall be responsible for:

1. Administering the Pcard program.
2. Providing Pcard training to all County Pcard holders and/or users.
3. Maintaining agreement documents for all Pcard holders.
4. Acting as liaison to the Pcard provider.

Card Termination:

Under the authority of the County Administrator, the Pcard Administrator and/or Finance Director will terminate a Pcard if a card holder:

1. Terminates employment.
2. Moves to a new position for which a Pcard is not required for the job duties.
3. Repetitive non-compliance with the Procurement and Pcard policies.
4. Suspected fraud, waste, and/or abuse.

Any action by the County Administrator, Board of Supervisors, Finance Director, or Pcard Administrator under this policy is separate and independent from any disciplinary action that may arise from any of the same circumstances. The unauthorized use or abuse of a County Pcard is a misuse or unauthorized use of public funds and may be subject to serious disciplinary action up to and including termination. Deliberate misuse of a County Pcard may also subject the cardholder to criminal **penalties**.