

WASHINGTON COUNTY, ARKANSAS



PURCHASING CARD PROGRAM

Cardholder

Manual

**WASHINGTON COUNTY, ARKANSAS PURCHASING CARD PROGRAM
POLICIES AND PROCEDURES**

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WASHINGTON COUNTY, ARKANSAS PURCHASING CARD PROGRAM POLICIES AND PROCEDURES

Introduction

Welcome to the Washington County Purchasing Card Program. This program is designed to help better manage low-dollar purchases and brings many benefits to you, Washington County and your vendors.

The success of the Purchasing Card Program and its continuing use depends on your participation and cooperation. Please be sure to read and follow the program guidelines as specified within this manual.

What is the Purchasing Card?

The Purchasing Card is a Visa Card credit card issued by Bank of America. It is a fast, flexible new purchasing tool which offers an alternative to the existing purchasing processes and provides an extremely efficient and effective method for purchasing and paying for small dollar items and items costing under \$20,000.00, items costing more than \$20,000.00 must be purchased according to county policy and Arkansas State laws. The card is to be used only for official county purchases.

The Visa Card Purchasing Card will enable you to purchase non-capital items, by telephone, via the internet, or in-person, directly from the vendors. It will eventually eliminate the need for issuing low dollar purchase orders and most blanket purchase orders.

The Visa Card Purchasing Card will be issued in the employee's name and will have the "Washington County Seal" clearly indicated on the card.

The Purchasing Card program brings many benefits to...

Cardholders - You will be able to obtain supplies directly from your vendors without using a purchase order. This streamlines the purchasing process and can help improve turnaround time on receipt of your order. It significantly reduces the workload and processing costs related to the purchase and payment of supplies.

The County - The Purchasing Card program provides a cost-efficient, alternative method for purchasing low-dollar supplies. Built-in card features make the program easy to control and manage and reduces processing costs at all levels by reducing the number of requisitions, purchase orders, invoices and checks. The Purchasing Card enables all departments to focus on higher value added activities.

Vendors - The Purchasing Card will be welcomed by vendors who accept VISACARD. When they accept the card for business purchases, vendors need not send invoices to the County, and they will receive payment directly from Bank of America within 48 hours.

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PARTIES INVOLVED

Card Issuer - Bank of America is the card issuer and offers services including: issuance of VISACARD Purchasing Cards to Washington County (County) employees; electronic transaction authorizations; and consolidated billing for all purchases made on the cards.

Washington County- Arranges with the card issuer, Bank of America, to have Purchasing Cards issued to approved employees and agrees to accept liability for the employees' use of the cards in accordance with county ordinance no. 2004-73.

Elected Officials and Department Heads – County officials must: approve an employee's request for a Purchasing Card; assign Departmental Liaison; designate default accounting code for purchases made with the Purchasing Card; and submit application to the Purchasing Department. Department Head approval delegates transaction authority to the Cardholder.

Departmental Liaison - An employee in each department, designated by the Department Head, to be responsible for review of transactions made by individual Cardholders. Review is intended to make sure that every transaction represents a legitimate business expense and is properly classified.

Purchasing Card Administrators - The central Administrators located in the Purchasing and Accounting Departments who coordinate the Purchasing Card program for the County and act as the County's intermediary for correspondence with the card issuer. The County's assigned Administrators are:

	Phone	
Cherly Bolinger	479/444-1708	Comptroller
Jody Gamble	479/444-1707	Purchasing Director
Kathy Riley	479/444-1669	Purchasing Coordinator

Cardholder - An employee of the County who has been approved by his/her Elected Official or Department Head to use the Purchasing Card to execute purchase transactions on behalf of there department.

Vendor - The merchant from whom a Cardholder is making a purchase.

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DEFINITIONS

Purchasing Activity Log – Paper based listing of monthly purchases maintained by cardholders. This listing should include both purchases and returns for credit. Purpose is to remind cardholders of transactions and assist in monthly reconciliation.

Purchasing Card – Credit card issued in the approved cardholders name. The purchasing card is the property of Washington County and is issued to employees of the County to assist in performance of assigned duties.

Merchant Category Classification (MCC) Code – 4-digit code assigned to each VISACARD capable vendor reflecting their major product or service made available for sale. The County uses these codes to block certain purchases on certain purchasing cards.

PURCHASING CARD PROGRAM OVERVIEW

- Purchasing Cards will be issued to Washington County employees only.
- The employee's name must be embossed on the card.
- Purchasing Cards will not be transferable between individuals or departments.
- Each Cardholder will be assigned to a Departmental Liaison.
- Each Card will be assigned a default accounting code.
- Departmental Liaison may serve for more than one department.
- All Departmental Liaisons work at the instruction of the Purchasing Card Administrators.
- Employee's Elected Official or Department Head must approve the request for a card, assign the default account number and assign the Departmental Liaison for the Cardholder.
- Cardholders make purchases (using established guidelines) and receive a monthly Bank of America Cardholder statement from Accounts Payable.
- Cardholder matches receipts (including packing slips) to monthly statement and forwards to Departmental Liaisons for review and storage.
- Resolution of any billing errors or disputed charges are initiated by the cardholder and/or the departmental liaison by contacting Bank of America directly.
- Monthly Departmental reports of cardholder transactions will be made available to Department Liaisons. Liaisons will have the responsibility for overriding the default accounting code for a transaction, identifying transactions subject to use tax, approving bills and adding cost share information if required.
- Bank of America sends a consolidated invoice to Washington County at the end of monthly billing cycle which is 27th of each month.
- An ACH payment is made to Bank of America within 25 days after the end of the billing cycle. It is each Departments responsibility to get their statement along with all receipt to the comptrollers office in time.

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PURCHASING CARD PROCESS

Purchasing Card use is easy and straightforward. Standard procedure for a typical card purchase:

- Cardholder wants to make an authorized purchase using the Purchasing Card
- If the selected vendor is VISACARD capable, cardholder continues with purchase.
- If the selected vendor is not VISACARD capable, cardholder must submit a requisition and obtain a purchase order prior to making purchase.
- Cardholder selects goods for purchase, proceeds to checkout, pays for goods using card, obtains detailed receipt and arranges for delivery.
- Cardholder logs purchase on purchasing log and files receipt. Note: A new log should be used each month. (An excel multisheet spreadsheet is available upon request). Separate logs must be used for each fund (see page 22)
- When merchandise arrives, cardholder inspects and verifies order accuracy, quality and price
- Cardholder receives monthly statement from departmental liaison
- Cardholder confirms purchases on statement for accuracy, signs statement and forwards statement, purchasing log and all receipts to departmental liaison within 5 days.
- Cardholder contacts Bank of America if there are any billing errors or disputed charges.
- Cardholder purchasing monthly process is complete.

MONTHLY RECONCILIATION STATEMENT PROCESS

Each month, cardholders must carefully review their statements. Receipts and purchasing logs should be compared to the statement. Standard procedure for a typical monthly review:

- Departmental Liaison receives statement from the Purchasing Department
- Cardholder receives statement from Departmental Liaison
- Cardholder confirms purchases on statement for accuracy
- If statement is correct, cardholder signs statement and forwards statement, purchasing log and all receipts to departmental liaison within 5 days.
- If statement has a discrepancy, cardholder begins dispute process before routing to departmental liaison
- Departmental Liaison reviews all information is complete, annotates any required budget code changes, signs statement and forwards to accounts payable department within 10 days of initial receipt of statement.
- Monthly reconciliation process is complete.

CARDHOLDER RESPONSIBILITIES

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The Cardholder must use the Purchasing Card for legitimate business purposes only. The Purchasing Card may not be used for entertainment, cash and other categories as included in the Listing of Blocked Vendors (Attachment 1). Misuse of the card will subject Cardholder to disciplinary action in accordance with Washington County Policies and Procedures relating to disciplinary action and/or termination for cause.

The Cardholder must:

- Ensure the Purchasing Card is used for legitimate business purposes only.
- Maintain the Purchasing Card in a secure location at all times.
- Not allow other individuals to use their Purchasing Card.
- Adhere to the purchase limits and restrictions of the Purchasing Card and ensure the total transaction amount of any single transaction is less than \$20,000.00.
- Not purchase items which are stocked by the Washington County Central Supplies (example copy paper).
- Obtain and reconcile all sales slips, register receipts, and/or Purchasing Card slips to Bank of America's Cardholder statement and provide same to Departmental Liaison for reconciliation, approval and allocation of transactions.
- Notify Departmental Liaison if the default accounting code should be changed on an individual transaction.
- Attempt to resolve disputes or billing errors directly with the vendor and notify Bank of America if the dispute or billing error is not satisfactorily resolved by faxing Bank of America the required Dispute Form . Copy of dispute form should be forwarded to Departmental Liaison.
- Ensure that an appropriate credit for the reported disputed item or billing error appears on a subsequent Cardholder statement.
- Not accept cash in lieu of a credit to the Purchasing Card account.
- Identifying and notifying the Departmental Liaison of any transactions which require the payment of use tax (purchases of goods for which sales tax was not charged).
- Immediately report a lost or stolen card to Bank of America at 1-800-538-8788 (24 hours a day, 365 days a year).
- Immediately notify Departmental Liaison of a lost or stolen Purchasing Card at the first opportunity during normal business hours.
- Return the Purchasing Card to Departmental Liaison upon terminating employment with the District or transferring Departments within the Organization.
- If a vendor does not accept VISACARD, contact the Departmental Liaison.
- Report erroneous and emergency transaction needs to the Departmental Liaison during normal business hours.

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DEPARTMENTAL LIAISON RESPONSIBILITIES

Each Elected Official or Department Head must designate a Departmental Liaison to oversee cards issued to employees of his/her department. The Elected Official or Department Head shall list the designated Departmental Liaison on each Purchasing Card application submitted for his/her employees. The Departmental Liaison(s) must receive training before any employees in the department may receive a Purchasing Card. Responsibilities include:

- Reviewing vendor receipts attached to the Bank of America Cardholder statements.
- Forwarding all Cardholder charge slips and receipts to accounts payable for audit by internal and external auditors.
- Reviewing Cardholder transactions on the monthly Department report distributed by the Purchasing Card Administrator or designee.
- Requesting the Purchasing Card Administrator to change default accounting codes for individual transactions by updating default accounting codes on the monthly Department reports in advance of the monthly cut-off date established by the Purchasing Card Administrator.
- Attempting to resolve any disputes with vendor and/or Bank of America not resolved by Cardholder.
- Notifying Purchasing Department within 5 days of receipt of monthly statement of any unresolved disputes, noting the reason for dispute.
- Identifying and notifying Purchasing Card Administrator of transactions which require the submission of use tax to the Department of Revenue.
- Notifying Purchasing Department of lost or stolen cards.
- Requesting Purchasing Department to cancel a Cardholder's card (e.g. terminated employees, transferring departments, loss of purchasing card privileges) as approved by Department Head.
- Collecting canceled cards from Cardholders and forwarding to the Purchasing Department.
- Notifying the Purchasing Department of Cardholder request(s) to have Bank of America set up a vendor to accept VISACARD.
- Assisting Cardholders with erroneous declines and emergency transactions.

ELECTED OFFICIAL or DEPARTMENT HEAD RESPONSIBILITIES

The Purchasing card administrators, in conjunction with the site administrator or elected official will assign a department head to be responsible for the purchasing program and budget compliance of each of their assigned cardholders and departmental liaisons. Responsibilities include:

- Assignment of budget codes necessary for budget monitoring and compliance.
- Oversight of departmental liaisons for accuracy and timeliness of duties.
- Oversight of assigned cardholders for compliance with the overall Purchasing Card Program guidelines.

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PURCHASING CARD ADMINISTRATOR RESPONSIBILITIES

The Purchasing Card Administrator(s) duties are SHARED by the Comptrollers office and the Purchasing department for the over-all Purchasing Card program. Responsibilities include:

- Washington County is the liaison with Bank of America, **we are not your departmental liaison.**
- Utilizing Bank of America Software.

COMPTROLLER will be responsible for:

- Handling disputed charges/discrepancies not resolved by Cardholder or Departmental Liaison.
- Receiving and reviewing Bank of America invoices.
- Distributing monthly reports to Departmental Liaisons and notifying Departmental Liaisons of cut-off date for approvals and default code changes.
- Making accruals for transactions which require the submission of use tax to the Department of Revenue.
- Processing electronic upload of bill to general ledger.
- Preparing bill for ACH payment.
- Reviewing usage of Purchasing Card data for appropriateness.
- Reconciling Bank of America's invoices to Bank of America's electronic file and to the transaction totals posted to the County's accounting system

PURCHASING DEPARTMENT will be responsible for:

- Initiating change of default accounting codes upon request of Department Liaisons as approved by their Department Head.
- Reviewing Department approved applications for completeness of required information.
- Submitting completed application to Bank of America and receiving Purchasing Card from Bank of America.
- Training Departmental Liaisons before releasing Purchasing Cards.
- Training Cardholders before releasing Purchasing Card.
- Ensuring Cardholders sign Cardholder Agreement (Attachment 2, page 19), signifying agreement with the terms of the Purchasing Card program prior to receipt of Card.
- Securing revoked Purchasing Cards and submitting information to Bank of America.
- Ensuring that lost stolen cards have been blocked by Bank of America.
- Forwarding vendor set up requests to Bank of America.
- Assisting the Departmental Liaison with erroneous declines and emergency transactions.

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CARDHOLDER ELIGIBILITY

Criteria to receive a Purchasing Card is as follows:

- Applicant must be an **employee of the County.**
- Applicant's request for a Purchasing Card must be approved by his/her Elected Official or Department Head.
- Applicant must be assigned a Departmental Liaison selected by his/her Elected Official or Department Head.
- Employee must attend a training session before receiving their Purchasing Card.
- Each individual Cardholder must sign a Cardholder Agreement (Attachment 2) in the presence of the Purchasing Department.

CARDHOLDER LIABILITY

The Purchasing Card is a corporate charge card which will not affect the Cardholder's personal credit; however, it is the Cardholder's responsibility to ensure that the card is used within stated guidelines of this Purchasing Card Cardholder Manual as well as County Policies and Procedures relating to the expenditure of County funds. Failure to comply with program guidelines may result in temporary suspension of the card, permanent revocation of the card, notification of the situation to management, and/or further disciplinary measures that may include termination.

CARDHOLDER TERMINATION

The Purchasing Department is required to close an account if a Cardholder: (a) transfers to a different department, (b) moves to a new job in which a Purchasing Card is not required; (c) terminates employment or (d) for any of the following reasons which will also subject Cardholder to disciplinary action in accordance with Washington County Policies and Procedures relating to disciplinary action and/or termination for cause:

- The Purchasing Card is used for personal or unauthorized purposes.
- The Purchasing Card is used to purchase alcoholic beverages or any substance, material, or service which violates policy, law or regulation pertaining to the County.
- The Cardholder allows the card to be used by another individual.
- The Cardholder splits a purchase to circumvent the limitations of the Purchasing Card.
- The Cardholder uses another Cardholder's card to circumvent the purchase limit assigned to either Cardholder or the limitations of the Purchasing Card.
- The Cardholder fails to provide Departmental Liaison with required receipts.
- The Cardholder fails to provide, when requested, information about any specific purchase.
- The Cardholder does not adhere to all of the Purchasing Card policies and procedures.

ACCEPTABLE USES

- County business related purchases

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- Small tools (purchase or rental)
- Subscriptions
- Film and film processing
- Auto supplies
- Copy services
- Electrical supplies
- Office supplies not stocked in Central Supplies
- Building maintenance supplies
- Small office furniture
- Membership fees/dues
- Hotel reservations
- Travel
- Approved Capital items

UNACCEPTABLE USES

- Personal uses
- Hazardous materials
- Entertainment
- Cash Advances
- Leases
- Lottery Tickets
- Gifts (Employee)
- Alcoholic beverages
- Tipping
- Meals, (Except as noted in section 2-58 of Washington County Ordinance 2007-75)
- Fuel, (Except as noted in section 2-58 of Washington County Ordinance 2007-75)
- Newspaper ads of any kind. (Comptroller must have proof of publication)

COMMON VIOLATIONS

- Monthly reconciliation is not forwarded to the departmental liaison in a timely manner (5 days)
- Monthly reconciliation is not signed by the cardholder or departmental liaison
- All original receipts are not submitted with the monthly reconciliation
- Cardholder statement included multiple transactions to circumvent transaction limit
- Cardholder allowed another employee to use their card
- Cardholder purchased inappropriate items such as non-county business related items
- Personal use
- Failure to reply to a violation letter

NOTE: Inappropriate usage of the card will result in issuance of a violation letter. Three violations will result in cancellation of your card.

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LOST, MISPLACED OR STOLEN PURCHASING CARDS

Cardholders are required to immediately report any lost or stolen Purchasing Card **to Bank of America toll-free at 1-800-538-8788 (24 hours a day, 365 days a year).** The Cardholder must also immediately notify his/her Department Liaison about the lost or stolen card at the first opportunity during normal business hours.

SPENDING CONTROLS

Washington County initial spending parameters for each Purchasing Card issued are set at **less than \$20,000** per transaction for Capital Items, for items costing \$20,000.00 and up a bids must be acquired.

ERRONEOUS DECLINES

Should the Purchasing Card be erroneously declined by a vendor, the Cardholder should immediately contact your *Departmental Liaison for assistance*. If purchase is being made outside of normal Washington hours, the employee must terminate the purchase and contact your Departmental Liaison during normal hours.

EMERGENCY TRANSACTIONS

Emergency transactions over the established Purchasing Card limit may not be handled with the Purchasing Card. For any transaction which does not meet the spending controls assigned to the card, the Cardholder must contact your Departmental Liaison for assistance.

PHONE/FAX ORDERS

Purchasing Cards can be used to place orders via FAX or phone. After placing the order and arranging for pickup/delivery. The cardholder must request that the vendor fax back a detailed receipt to the cardholder. The cardholder must maintain this detailed receipt for reconciliation to the monthly statement. ALL items ordered using the purchasing card and being delivered to the County must be marked "PURCHASING CARD ORDER" on the outside of the shipping container. If the ordered items are being shipped to the warehouse, the cardholder should, immediately upon order placement, provide a copy of the order to the warehouse for it to use in receiving and forwarding the order.

SALES AND USE TAX

In State Vendors - The vendor is responsible for collecting retail sales tax at the point of sale. The amount of sales tax should be indicated on the receipt provided by the vendor.

Out-Of-State Vendors - Vendors located out of State should not collect sales tax. If sales tax is paid to a vendor in another state, please notify your Departmental Liaison.

DISCOUNTS

Several vendors have discount agreements in place with the County. It is the cardholder's responsibility to identify themselves as an employee of Washington County to the vendor prior to completion of the purchase. To obtain information as to vendors offering discounts to the County, Cardholders may contact the Purchasing department.

CREDITS

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Vendors will issue all credits to the individual Purchasing Card account for any item they have agreed to accept for return. This credit will appear on a subsequent statement. Under no circumstances should a Cardholder accept cash in lieu of a credit to the Purchasing Card account. All returns should be recorded on the monthly activity log.

UNRESOLVED DISPUTES AND BILLING ERRORS

The **Cardholder is responsible for contacting the vendor to resolve any disputed charges or billing errors.** If the matter is not resolved with the vendor, the Cardholders Departmental Liaison should:

- Contact Bank of America at 1-800-538-8788 directly for assistance.
- Mail or fax to Bank of America at 1-800-253-5846 a signed Bank of America Dispute Form (Attachment 4, page 21) to document the reason for the dispute.
- Contact the Purchasing Department for assistance if an acceptable resolution is not obtained.
- The total amount billed by Bank of America will be charged to the individual departmental accounts and credits for disputed transactions will be posted to departmental accounts when the credit appears on the Bank of America billing.

SECURITY AND STORAGE

Purchasing Cards - Cardholders should always treat the Purchasing Card with at least the same level of care as one does their own personal credit cards. The card should be maintained in a secure location and the card account number should be carefully guarded. The only person entitled to use the card is the person whose name appears on the face of the card. The card may not be lent to another person for any reason.

Program Documentation - The Departmental Liaison assigned to each department that has Purchasing Cards will forward the Cardholder's vendor receipts/packing slips/charge slips on a monthly basis to Accounts Payable. All other documentation concerning the Purchasing Card program will be maintained by the Purchasing Department. This documentation includes, but is not limited to, applications, Cardholder Agreements, and copies of transmittals and correspondence with Bank of America. All payment, credit card statements, and receipts are filed in the County Clerks office with warrants.

VENDOR BLOCKING

Transactions will be blocked at the point-of-sale level for types of vendors included on the Listing of Blocked Vendors (Attachment 1). Additional customization for individual cards can be made by blocking or unblocking additional merchant category classification codes (MCC). A complete listing of MCC codes is available from the Purchasing Department.

NOTE: Item 5045 – Computers, Computer Peripheral Equipment, and Software includes digital camera or any equipment that will be attached or downloaded to county computers. Computers, peripheral equipment and software can only be order through purchasing.

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PURCHASING CARD SET UP, REVISIONS, AND CLOSURE

All contact with Bank of America for Purchasing Card set up, revisions and closure (except for reporting lost or stolen cards) will be handled by the County's Purchasing Department.

Card Set Up

- Elected Officials or Department Heads must submit in writing an application and provide the name of the Departmental Liaison .
- Elected Official or Department Head signature approval, delegates transaction authority to the Cardholder.
- Approved application is to be sent to your Departmental Liaison for notice and forwarding to the Purchasing Department.
- Purchasing Department reviews application for completeness and submits application to Bank of America in format approved by Bank of America.
- Purchasing Department will conduct a training session with the Cardholder prior to issuing the card.
- Cardholder signs Cardholder Agreement signifying agreement with the terms of the Purchasing Card program.
- Upon receipt of the Purchasing Card from Bank of America and completion of the above stated items, card will be issued to cardholder and activated for usage.

Card Revisions

- Departmental Liaisons are to make all card revision requests to the Purchasing Department.
- All revision requests must be submitted in writing
- All revision requests must be approved by the department head prior to submission.
- Purchasing Department will submit all card revision requests to Bank of America.

ACCOUNT CLOSURE

Lost or Stolen Cards - Cardholder must immediately report the lost/stolen card to Bank of America at 1-800-538-8788. Cardholder must also notify the Departmental Liaison who will contact the Purchasing Department who will follow up with Bank of America to ensure the account has been closed.

Terminated or Transferred Employees - Departmental Liaison is to secure Purchasing Cards from terminated employees and employees who transfer to another department. The Departmental Liaison will immediately notify the Purchasing Department by phone of the termination or transfer. A request for closing the Cardholder account will be submitted to Bank of America by the Purchasing Department within 2 days of receiving the notification. All Purchasing Cards are to be returned to the Purchasing Department for disposition.

Other Card Revokes/Closures - Purchasing Department will notify Bank of America immediately of all revokes and closures.

RECONCILIATION, APPROVAL & ALLOCATION OF BILLING

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Receipt and Payment of Bank of America Billing

- At the close of the monthly billing cycle, Bank of America will send a paper billing statement to the County.
- Purchasing Card User statements from Bank of America will be forward to each assigned Departmental Liaison.
- Departmental Liaisons will immediately distribute cardholder statements to each cardholder for their reconciliation.
- Cardholders will complete reconciliation of purchasing log, receipts and statement, reporting any discrepancies as previously discussed in this manual. Completed reconciled statements will be returned to their departmental liaisons within 5 working days after receipt from the Departmental Liaison.
- The Departmental Liaisons will compile all assigned cardholder statements, confirm reconciliation, annotate any required budget code adjustments, and forward to the Accounts Payable within 10 working days after receipt of statements.
- The comptrollers office will review bills.
- The Accounts Payable department will approve statements for payment and submit for payment.
- Warrant will be prepared within 15 working days after receipt of the Bank of America bill.
- Warrant will be deposited into County's ACH Transfer account so that funds will be available for ACH transfer initiated by Bank of America no later than 25 calendar days after the close of the billing cycle of the previous month.
- ACH will be transmitted in accordance with Bank of America's instructions.

Allocation of Purchasing Card Charges to County Departments

- Departmental Liaisons will identify transactions requiring payment of use tax.
- Departmental Liaisons will assemble and forward Cardholders statements, purchasing logs, charge slips and receipts to accounts payable for payment. Receipts for purchases must be maintained in accordance with state records retention requirements.
- The total amount billed by Bank of America will be charged to the individual departmental accounts and credits for disputed transactions will be posted to departmental accounts when credit appears on the Bank of America billing.
- Accounts Payable will reconcile the detailed electronic billing statement to amount paid Bank of America.

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The County's self-audit approach for determining compliance with internal control policies and procedures are as follows:

- On a monthly basis, the accounts payable staff will select a minimum of two statements from each site for detailed audit.
- Departmental liaisons will be notified of any of their assigned cardholders selected for audit.
- Each selected cardholder statement will have individual purchases selected for audit.
- Statements will be reviewed for completeness, compliance with procedures and accuracy of recordkeeping
- Cardholders will receive an audit explanation inquiry.
- Cardholders will have to provide detailed explanation of the items purchased and the business purpose of each item. Responses to audit inquiry letters will be due within 10 business days.
- Non-responsive cardholders will have their cards suspended until audit responses are provided.
- Additionally, the Procurement Card Administrators will monitor card use and charges for appropriateness through the use of Bank of Americas on-line reporting system. Areas to be monitored include, but not limited to compliance with Purchasing Card regulations, compliance with County regulations, and sales and use tax charges. Non-use of card by cardholders will also be monitored.

District Internal Audit and External auditors will be reviewing a selection of sample transactions for compliance with District procedures.

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Attachment 1

PARTIAL LISTING OF BLOCKED VENDORS

3000 – 3299	Capital Equipment – Commodity purchases \$20,000 and above(including taxes and freight)
3351 – 3440	Construction or Remodeling
3501 – 3722	Lease Agreements
4011	Railroads
4111	Local/Suburban Commuter Passenger Transportation, Including Ferries
4112	Passenger Railways
4411	Steamship/Cruise Lines
4457	Boat Rentals and Leases
4468	Cell Phones
4829	Wire Transfer - Money Orders
5094	Precious Stones and Metals, Watches and Jewelry
5271	Mobile Home Dealers
5309	Duty Free Stores
5521	Automobile and Truck Dealers (Used)
5551	Boat Dealers
5571	Motorcycle Shops and Dealers
5592	Motor Home Dealers
5598	Snowmobile Dealers
5631	Women’s Accessories and Specialty Stores
5641	Children’s and Infant’s Wear Stores
5681	Furriers and Fur Shops
5718	Fireplace, Fireplace Screens, Accessories Stores
5812	Eating Places (depends on circumstances)
5813	Bars, Cocktail Lounges, Discotheques, etc
5814	Quick Payment Service Fast Food Restaurants (depends on circumstances)
5921	Package Stores, Beer, Liquor, Wine
5944	Clock, Jewelry, Watch and Silverware Stores
5948	Leather Goods and Luggage Stores
5950	Crystal and Glassware Stores
5960	Direct Marketing Insurance Services
5962	Direct Marketing-Travel Related Arrangement Services
5966	Direct Marketing-Outbound Telemarketing Merchants
5967	Direct Marketing-Inbound Teleservices Merchants
5969	Direct Marketing-Other Direct Marketers
5971	Art Dealers and Galleries
5972	Stamp and Coin Stores Philatelic and Numismatic
5976	Orthopedic Goods Artificial Limbs Stores
5993	Cigar Stores and Stands
5995	Gifts/Contributions (includes plaques, awards and gift certificates)
5997	Electric Razor Stores Sales and Service
6010	Financial Institutions – Manual Cash Disbursements
6011	Financial Institutions – Automated Cash Disbursements
6051	Non-Financial Institutions -- Foreign Currency, Money Orders (not wire transfer), and Travelers Cheques
6211	Security Brokers/Dealers
6300	Insurance Sales & Underwriting

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7012	Timeshares
7230	Barber and Beauty Shops
7251	Fuel
7261	Funeral Service and Crematories
7273	Dating and Escort Services
7276	Tax Preparation Services
7277	Debt, Marriage, and Personal Counseling Services
7278	Buying/Shopping Clubs/Services
7295	Babysitting Services
7297	Massage Parlors
7298	Health and Beauty Spas
7339	Stenographic and Secretarial Support Services
7511	Truck Stop Transactions
7519	Motor Home & Recreational Vehicle Rentals
7631	Clock, Jewelry and Watch Repair Shops
7841	Video Tape Rental Stores
7911	Dance Halls, Schools and Studios
7932	Billiard and Pool Establishments
7992	Golf Courses, Public
7994	Video Game Arcades/Establishments
7995	Betting (Including Lottery Tickets, Casino Gaming Chips, Off-track Betting)
8021	Dentists, Orthodontists
8031	Osteopathic Physicians
8041	Chiropractors
8043	Opticians, Optical Goods, and Eyeglasses
8049	Chiropodists, Podiatrists
8351	Child Care Services
8661	Religious Organizations
9211	Court Costs including Alimony and Child Support
9222	Fines
9223	Bail and Bond Payments
9311	Tax Payments
9399	Government Services (Not Elsewhere Classified)

**WASHINGTON COUNTY, ARKANSAS PURCHASING CARD PROGRAM
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Attachment 2

PROCUREMENT CARD CARDHOLDER AGREEMENT

Congratulaton! You have been granted the privilege of having a Washington County Procurement Card (PCard). Your participation in the County's Procurement Card Program is a convenience that carries responsibilities along with it. Although this card is issued in your name, it IS County property and should be used with good judgement. **By signing this agreement, you acknowledge that you understand and will comply with all of the County's Procurement Card guidelines, as listed below.**

I, as an authorized and approved cardholder fully understand and agree to the following terms and conditions regarding the use and safekeeping of the procurement card (PCard) entrusted to me:

1. I accept full personal responsibility for the safekeeping of the PCard assigned to me, and that absolutely no one, other than myself is permitted to use PCard assigned to me.
2. I will be making financial commitments on behalf of Washington County and will obtain fair and reasonable prices.
3. I have received training and agree to follow all procedures established for use of the PCard.
4. I will not use the PCard for non County related business, unauthorized purchases, or for personal purchases.
5. I will immediately report the theft or loss of my PCard to Bank of American by phone at 1-800-300-3084 AND the County Procurement Card Administrator at 470-444-1707.
6. I understand that the use of the PCard does not exempt me from purchasing requirements as set forth in the County's policy and procedures and the PCard guidelines.
7. I understand that I cannot use the PCard as a financial reference to obtain personal credit cards or loans.
8. I understand that I am personally responsible for obtaining ALL original detailed receipts (purchase and credit documents) and submitting them in accordance with the County PCard procedures.
9. I understand that any purchases made by me will be recorded and reviewed in management reports, to insure compliance with Purchasing and PCard guidelines.
10. I understand that failure to follow any of the above listed terms & conditions or if found to have misused the PCard in any manner may result in:
 - Revocation of the privilege to use the PCard
 - Disciplinary action
 - Termination of employment, and/or criminal charges being filed with the appropriate authority.
11. I agree to surrender the PCard immediately upon request or upon termination of employment for any reason.

I hereby accept the above terms and conditions and acknowledge receipt of the PCard.

Employee Name Printed

Employee Signature

Dated Signed

**WASHINGTON COUNTY, ARKANSAS PURCHASING CARD PROGRAM
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Form for Lost/Unobtainable Procurement Card Receipt

RECEIPT/DOCUMENT NUMBER (Displayed on EIC): _____

DATE OF PURCHASE: _____

CARDHOLDER NAME: _____

DESCRIPTION OF PURCHASE: _____

TOTAL PURCHASE AMOUNT: _____

RECEIPT WAS (CHECK ONE) _____ LOST _____ NOT OBTAINABLE

I, _____, the undersigned do certify that the above purchase was made for Washington County business.

CARDHOLDER SIGNATURE

DATE

DEPARTMENT HEAD SIGNATURE

DATE

Attachment 4

WASHINGTON COUNTY DISPUTED ITEM FORM

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Instructions: Please make a good faith attempt to resolve a claim for a purchase directly with the merchant, PRIOR to filing a disputed claim. If assistance from Bank of American is required, please complete this form and fax it to PCard Administrator, Jody Gamble, 479-973-8401.

Company Name: Washington County, Fayetteville, Arkansas

CARDHOLDER NAME: _____

Account Number: _____

This Charge appeared on my statement: _____

Transaction Date: _____

Reference Numbers: _____

Merchant Name/ Locations: _____

Posted Amount: _____ **Disputed Amount:** _____

Dispute Type:

_____ **Incorrect Charge** _____ **Credit Not Received** _____ **Duplicate Charge**
_____ **Erroneous Charge** _____ **Other**

Explanation of Dispute: _____

Merchant's Response: _____

Cardholders Signature: _____ **Date:** _____

Attachment 5

PROCUREMENT CARD INDIVIDUAL TRANSACTION LOG

