



PUTNAM COUNTY

PURCHASING CARD POLICY

March 4, 2022

I. Intent & Scope

During the 2015 legislative session, the General Assembly adopted HB 192, which changes how county elected officials may use county issued purchasing cards and credit cards. Effective January 1, 2016, no county elected official may use a county purchasing or credit card unless:

- (1) The board of commissioners has publicly voted to authorize the elected official to use a county purchasing or credit card;
- (2) The county has adopted a policy regarding the use of the county purchasing or credit card; and
- (3) The county and the elected official enter into a contract regarding the use of the county purchasing or credit card.

The Putnam County Purchasing Card Policy is designed to enable authorized elected officials and county employees to purchase supplies, materials and services for County use within the rules and guidelines set forth in the Putnam County Financial Policies. Furthermore, the Purchasing Card shall be used as a travel card to the extent that airfare, hotel and meal expense are approved and allowable. A completed Expense Voucher with copies of P-Card receipts attached must be submitted to the Finance Department for all travel related expenses.

The Putnam County Purchasing Card can only be used for official Putnam County business and must be surrendered upon termination of employment for any reason or upon demand by the Purchasing Card Administrator or County Manager.

II. Parties Involved

Card Issuer - Bank of America's services include issuing Visa Purchasing Cards to Putnam County cardholders, providing electronic transaction authorizations, and billing Putnam County for all purchases made on the cards. Card Issuer may also be any other financial institution which issues any purchasing card or credit card for any elected official of Putnam County.

County Manager – Approves all applications (participation) in the program.

Purchasing Card Administrator - The Putnam County Finance Director who coordinates the purchasing card program for the county and acts as the county's intermediary in correspondence with the card issuer.

Cardholder – An elected official authorized by public vote of the Board of Commissioners to use a county issued purchasing card or an employee of Putnam County who is approved by the County Manager to use a purchasing card to execute purchase transactions on behalf of the County.

III. Authorized Elected Officials

The Putnam County Board of Commissioners, in its discretion, shall authorize specific county elected officials to use a county purchasing card by adoption of a resolution in a public meeting.

No authorized elected official may use a county purchasing card until he or she has executed the County's purchasing card user agreement. The County will not make payments to any business organization, financial institution, or any duly authorized agent of such organization or

institution, for amounts charged by an elected official to any purchasing cards or credit cards that are not issued pursuant to this policy or for any purchases that are not authorized by this policy.

IV. Card Administrator

The Finance Director shall serve as the Purchasing Card Administrator. The responsibilities shall include:

- a. Manage County issued purchasing cards.
- b. Serve as the main point of contact for all County purchasing cards.
- c. Serve as liaison to cardholders and their staff, as well as to the issuer of the purchasing card.
- d. Provide training to cardholders on card policies and procedures to use a purchasing card.
- e. Develop internal procedures to ensure timely payment of cards.
- f. Assist with disputed transactions and emergency transactions when necessary.
- g. Establish internal procedures to ensure compliance with this policy, the County financial policy, County purchasing card user agreements, applicable agreements with the business organization, financial institution, or any duly authorized agent of such organization or institution, issuing card, and state law, specifically, O.C.G.A. §§ 16-9-37 and 36-80-24.
- h. Document internal controls, audits and other measures to prevent and detect misuse or abuse of the cards.
- i. Audit and reconcile transactions monthly.
- j. Maintain records for at least seven years or as otherwise provided by the County's record retention policy.

V. Use of Cards

Authorized Purchases

County purchase cards may be used to purchase goods and services directly related to the public duties of the cardholder. All purchases are subject to the terms of this policy, the County purchasing card user agreement, county financial policies and ordinances, and the adopted budget.

The cards, and use of the cards, are not transferrable to unauthorized employees. The cardholder shall use care to ensure that others do not have access to the card account number, expiration date and security code.

A transaction limit of \$5,000 per month will apply to most accounts. This limit can be raised to a maximum of \$30,000 per month with prior approval from the Purchasing Card Administrator.

Unauthorized Purchases

County purchasing cards shall not be used for goods and services not directly related to the official responsibilities of the cardholder. Additionally, cards shall not be used to avoid

compliance with the County's financial policies, ordinances and procedures, to purchase goods and services that are not approved in the County's budget, to purchase goods and services exceeding the per transaction or per month limit, or to make purchases not in compliance with the County purchasing card user agreement. The purchasing card may not be used to purchase, alcohol, entertainment, or to obtain cash advances.

Receipts and Documentation

Receipts, invoices and other supporting documentation of all purchases made with a county purchasing card shall be obtained and maintained by the Finance Department for five years. If an original or duplicate cannot be produced, a sworn affidavit of the cardholder may be substituted. The documentation must include the supplier or merchant information (i.e., name and location), quantity, description, unit price, total price, price paid without sales tax and an explanation of the purchase sufficient to show that the expense was in the performance of official County duties.

Public Records

All receipt and other documentation of purchases are public records and subject to the requirements of O.C.G.A. § 50-18-70 *et seq.*

V.I. Purchasing Card Procedures

Purchasing Card Procedures

Proper documentation of purchases, internal controls and other measures prevent and allow detection of misuse or abuse of County issued purchase cards and credit cards. Cardholders and staff that process payments under this program shall cooperate and comply with the procedures established by the County.

Cardholders must sign a Cardholder User Agreement in the presence of the Purchasing Card Administrator. The cardholder must sign all receipts and invoices for purchasing card transactions, clearly notate on the documentation that the transaction is a P-card transaction, and submit the paperwork to the Finance Department by the second business day of the month for the prior month's statement. Failure to submit all receipts/invoices by the second business day for the prior month's activity shall result in the card being suspended until documentation is received.

All cardholders must code their transactions in the on-line Bank of America software program unless they have made arrangements for one of their staff or the Finance Department staff to code the transactions on their behalf. Department Heads must review all cardholder's receipts and invoices within their department. Department Head approval is verification that the expense was a legitimate use of County funds and is within budget.

All cardholders must work with the Finance Department staff to attempt to resolve disputes or billing errors. All cardholders must **immediately report a lost or stolen card to Bank of America and** notify the Purchasing Card Administrator of a lost or stolen purchasing card at the first opportunity during normal business hours.

The Finance Department staff will review all transactions and match the receipts and invoices to the monthly statement received from Bank of America. The Finance Department staff will ensure that the appropriate credit for reported disputed transactions or billing errors appear on a subsequent cardholder statement.

The Purchasing Card Administrator will report disputed transactions, errors, purchases not in compliance with this policy or the financial policy, missing documentation or incomplete documentation to the County Manager and will present the Bank of America bill to the County Manager for approval before payment.

VII. Violations

A cardholder shall reimburse the County for any purchases made with a County issued purchase card or credit card in violation of this policy or the user agreement.

In the discretion of the county governing authority, failure to comply with the procedures outlined in this policy may result in:

- i. A warning;
- ii. Suspension of the cardholder's authority to use a County purchase card; or
- iii. Revocation of the cardholder's authority to use a County's purchase card.

Using the P-Card for personal purchases will result in disciplinary action, up to and including termination from County employment and criminal prosecution. The official Code of Georgia, Annotated (O.C.G.A.), §50-5-80 states that any cardholder who knowingly uses the card for personal purchases under \$500 is guilty of a misdemeanor. A cardholder who knowingly uses the card for personal purchases of \$500 or more is guilty of a felony punishable by one to 20 years in prison. Supervisors or other approving officials who knowingly, or through willful neglect, approve personal or fraudulent purchases are subject to the same disciplinary actions as cardholder



Putnam County Purchasing Card Application

NAME:

DEPARTMENT OR OFFICE:

ADDRESS:

PHONE:

EMAIL:

SINGLE TRANSACTION LIMIT: \$5,000

MONTHLY CREDIT LIMIT:

APPLICANT'S SIGNATURE:

PURCHASING CARD ADMINISTRATOR SIGNATURE:

I Hereby Approve this employee to be issued a County Purchasing Card:

COUNTY MANAGER SIGNATURE:



Putnam County Cardholder Agreement

Putnam County is entrusting you with this Purchasing Card to be used for the legitimate business benefit of the County. It represents trust in you and your empowerment as a responsible agent to safeguard and protect Putnam County assets.

I acknowledge receipt of a Purchasing Card issued in my name, a VISA® card issued by Bank of America, which will only be used to acquire materials and supplies for Putnam County. I agree to comply with the following terms and conditions relating to my use of the Purchasing Card.

1. As an authorized cardholder, I agree to comply with the terms and conditions of this Agreement and with the provisions of the Purchasing Card Program and the Putnam County Financial Policy. I have received a copy of the Purchasing Card Policy and the Financial Policy and confirm that I have read and understand its terms and conditions. In addition, I have completed the required Purchasing Card Training.
2. I understand that Putnam County is liable to Bank of America for all charges I make on the Purchasing Card.
3. I agree to use the Purchasing Card for authorized official business purchases only and agree not to charge personal purchases. I authorize Putnam County to take whatever steps are necessary to collect an amount equal to the total of the improper purchases, including but not limited to declaring such purchases an advance on my wages to the extent allowed by law.
4. I agree to notify the Purchasing Card Administrator if my name or contact information changes. I further acknowledge that name changes will require proof of change, i.e. copy of marriage license and/or decree of legal change.
5. If the Purchasing Card is lost or stolen, I will **immediately** notify Bank of America. I will also notify the Purchasing Card Administrator by phone and in writing or email, at the first opportunity during normal business hours.
6. I understand that improper or fraudulent use of the Purchasing Card may result in disciplinary action, up to and including termination of my employment. I further understand that Putnam County may terminate my right to use the Purchasing Card at any time for any reason.

7. I agree to surrender the Purchasing Card immediately upon request or upon termination of employment for any reason.

CARDHOLDER:

Department _____

Signature _____ Date _____

Print Name _____

COUNTY MANAGER:

Signature _____ Date _____

Print Name Paul Van Haute

PURCHASING CARD ADMINISTRATOR:

Signature _____ Date _____

Print Name Linda Cook