

PURCHASING CARD POLICY AND PROCEDURE MANUAL

Revisions Adopted by Commissioners Court Order No. (Tentative)

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Purpose

The purpose of the Purchasing Card program is to provide Collin County (County) with an efficient and controllable method for completing small dollar transactions for supplies, services, and travel purchases. The Purchasing Card reduces the need for petty cash, reduces repetitive small value requisition/purchase orders, and provides revenue back to the County through a rebate program. This card policy is not intended to replace, but rather supplement the County's existing purchasing policies.

Program Overview

In accordance with Texas Local Government Code §262.011(l), the County Purchasing Agent may have assistants to aid in the performance of the agent's duties. A person who is authorized by the County Purchasing Agent to use a County Purchasing Card while making a County purchase is considered an assistant of the County Purchasing Agent to the extent the person complies with the rules and procedures prescribed for the use of County Purchasing Cards as adopted by the County Purchasing Agent under Subsection (o). The County Purchasing Agent and assistants may have any help, equipment, supplies, and traveling expenses that are approved and considered advisable by the board that appointed the Agent.

The Purchasing Agent has designated a Program Administrator as Collin County's coordinator for the Purchasing Card program who has the discretion to determine the assignment, usage and control of the Purchasing Cards.

Only transactions as delineated in the County Purchasing Card Policy are allowed with the Purchasing Card. The card is not a personal line of credit used for personal transactions. The Cardholder should contact the Purchasing Office (972-548-4165 or purchasing@co.collin.tx.us) if they have any questions before making a purchase. Reimbursements for any out-of-pocket purchases will be denied. Any purchase made with the Purchasing Card that violates County Policy may subject the employee making the purchase to disciplinary action.

A. Duties and Responsibilities

1. Cardholder

- a. The Cardholder is responsible for the security of the Purchasing Card and the transactions made with it.
- b. Each individual Purchasing Card is set up with a single-purchase transaction limit and a per-month maximum limit to which the Cardholder must adhere. The Cardholder must not make purchases where the value of the transaction exceeds the Single Purchase Limits.
- c. Each Cardholder will have access to their Purchasing Card account via the card issuer's website to verify their transactions. Each employee issued a card will have a unique card number and a user ID/password for secure access to their account.
- d. Cardholders are prohibited from loaning another employee their card even if it is for County use. For security purposes, there are no exceptions to loaning a card. If your position requires you to make purchases utilizing the purchasing card, you must apply for a card specifically issued in your name.
- e. Cardholders shall use the card for authorized purchases only. A detailed receipt listing what was purchased must be obtained from the vendor each time the card is used. Any online or telephone charges must be supported with a detailed receipt. Any unauthorized transactions will be required to be immediately reimbursed to the County by the Cardholder.

f. If Items are not available on a County contract and their value is \$1,000 or less, the Cardholder may purchase items from a vendor without comparing sources or competition between vendors in compliance with the Purchasing Card Policies and Procedures.

g. Cardholders must ensure that tax has not been charged (this will vary for travel related expenses).

h. The Cardholder is responsible for immediately reporting a lost or stolen card. The employee must notify Citibank, their Department Administrator and the Program Administrator immediately upon discovering their card has been lost or stolen. Immediately report a lost or stolen card to Citibank by calling the help desk at (800) 248-4553. If the card has been stolen, you must file a police report and provide the report number to the Program Administrator.

i. If required by the Cardholder's department, the Cardholder will reconcile their own transactions by logging into the financial system and updating the charge description field, assign the appropriate general ledger (GL) account, and attach detailed receipts to each transaction.

j. Cardholder is responsible for confirming that a purchase card transaction is closed correctly prior to leaving a place of business.

k. Cardholder is responsible for resolving disputes or billing errors directly with the vendor and notifying the Department Administrator and Program Administrator if the dispute or billing error is not satisfactorily resolved.

2. Elected Official/Department Head

a. The Elected Official/Department Head designates a single purchase limit and a monthly credit limit, authorizes requests for new Purchasing Cards, and designates their Department Administrator. Elected Officials/Department Heads may enact a more restrictive policy regarding usage of cards within their respective department.

3. Department Administrator

a. The Department Administrator is the liaison that works closely with the Program Administrator and is the main point of contact for new cardholder applications. Unless designated to the Cardholder, or a dedicated Reconciler/Approver, the Department Administrator reconciles card transactions, verifies the required documentation, and assists with disputing charges that cannot be resolved by the Cardholder.

b. Upon resignation or termination of any employee that has a purchasing card, the Department Administrator shall collect the card, cut the card in half, and notify the Program Administrator to close the account.

4. Reconciler/Approver Responsibilities

a. The Reconciler/Approver ensures that purchases were authorized and within County policies. Each department may implement more stringent internal authorization procedures that its cardholders must follow in order to utilize the card. The reconciler/approver must make sure that:

1. Receipts exist for each purchase;
2. The goods were received or the services performed;
3. Purchases are for official County business;
4. The Cardholder has complied with applicable procedures;

5. Review of vendor receipts attached to the Expense Report for inappropriate purchases or use of the Purchasing Card ensuring that tax has not been charged;
 6. Resolving disputes with the vendor or bank not resolved by the Cardholder;
 7. Approving the statement in the financial system to indicate the authorized transactions were made in accordance with the applicable policies and procedures to make purchases with the card.
5. Program Administrator
- a. The Program Administrator manages the Purchasing Card program. The Program Administrator is the main contact for the County's card program. The Program Administrator is responsible for monitoring all card activity and will be the point of contact to answer all questions or problems as they arise. The Program Administrator has approval power over card transactions including verification of all information about the transaction(s). The Program Administrator may modify or revise the Purchasing Card policy after seeking approval from the Purchasing Agent to address problems that may prompt revision to the policy. The Program Administrator is responsible for ensuring all cardholders are properly trained in the County Policies and use of the Purchasing Card before the card is issued.

B. Purchasing 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 Purchasing Card is used within the guidelines set forth by the Purchasing Department and County Auditor, to include those policies and procedures relating to the expenditure of County funds. Failure to comply with the guidelines may result in permanent revocation of the Cardholder privileges, and notification of the situation to the Elected Official/Department Head. Further disciplinary action may include termination of employment and/or holding the Cardholder personally liable for the transactions plus any administration fees charged by the Bank in connection with the misuse.

C. Obtaining a Purchasing Card

1. Only Elected Officials/Department Heads may propose personnel to be cardholders. To receive a Purchasing Card the proposed applicant must:
 - a. Be a responsible, non-temporary employee of the County;
 - b. Obtain approval from the Elected Official/Department Head;
 - c. Complete a signed cardholder application and agreement;
 - d. Complete training on proper use of the Purchasing Card.
2. Department cards are no longer issued unless a special circumstance requires issuance and is approved by the Purchasing Agent.

D. Transaction/Card Limits

1. Each individual Purchasing Card will have single transaction and monthly spending limits. These limits are set by the Elected Official/Department Head. Any time one of these control limits are exceeded, the transaction will be denied. The standard single transaction limit is \$1,500 and the standard monthly purchase limit is \$5,000.
2. The Program Administrator can make a change to these limits. To request a spending limit change, the Department Administrator will email the Program Administrator the request, copying the

Elected Official/Department Head. The reason for the increase must be included in the email and whether it should be a temporary or permanent increase. If temporary, the email must state from what dates the increase should take place and what the new temporary single purchase or monthly limit should be.

E. Restrictions and Exemptions

1. Restricted Businesses

- a. Attorneys
- b. Banks/Automated Tellers
- c. Professional and Consultant/Contracted Service Providers
- d. Temporary Labor Agencies
- e. Entertainment Providers
- f. Rental Agencies: equipment, furniture, etc. (unless prior written approval)

2. Restricted Commodities/Unauthorized Use

- a. A single commodity purchase that exceeds \$1,000, unless a critical situation exists. These exceptions will require a higher limit requested in writing by the Elected Official/Department Head, appropriate quotes obtained supporting the single purchase increase, and written approval from the Program Administrator;
- b. Personal purchases or purchases for family members or friends
- c. Alcohol or beer/wine of any kind is prohibited on the Purchasing Card
- d. Money orders or traveler's checks
- e. Cash Advances or gift cards
- f. Purchases made in attempt to bypass the normal purchasing policy
- g. Donation or charitable contribution
- h. Electronic equipment, software, telephonic items are prohibited on the purchase card, with the exception of the IT Department. Email your request to IT for consideration and to process the order. These items may have to be processed through the requisition process to assure the County obtains the proper discount and complies with the State competitive bid laws.
 1. Equipment/Electronic/Software can be, but not limited to: Flash Drives, Computers, Cameras, Lenses, Network Hubs, Switches, Routers, Wireless Access Points, Printers, Projectors, Scanners, Stereo Systems, Tablets/iPads, MP3 players, Video Recorders, Camcorders, DVD/Blu-ray Players, Televisions and any other electronic gadget regardless the price.
 2. Telephone services and equipment require special approval. Therefore, these purchases must be processed through the IT Department.
 3. The IRS has rules governing the taxation of software from a foreign vendor. Therefore, these purchases must be processed through the requisition process.
- i. Tables, chairs, desks, etc. used to make a work environment suitable for working.
- j. Fuel may only be purchased for use in a rental car. County owned vehicles being used for County business shall use the fleet fuel card. Personal fuel use is prohibited.

- k. Gifts, Awards, and Prizes may require IRS tracking. Therefore, these purchases must be processed through the requisition process.
- l. Personal Meals: Personal meals are not allowed unless otherwise approved by the travel policy. Business meals while conducting County business are allowed and must include the purpose of the business meal and the names in attendance on the receipt or supporting documentation.
- m. Purchase of any item that is not an approved item within your budget or approved by your Department Administrator or Elected Official/Department Head may not be purchased with the card. Purchase of any goods or services not considered prudent or of good judgment are prohibited.
- n. Services from individuals: This type of purchase has special documentation required by the IRS. These transactions must also be tracked so that any payee receiving \$600 or more per year is reported to the IRS. Therefore any service over \$600 must be processed through the requisition process.
- o. Utilities: Utilities must be processed through the Auditor's office.
- p. After the Fact Invoices: Paying of invoices for after the fact purchases is prohibited.
- q. Lodging through Airbnb, VRBO, and similar rental brokers.
- r. Automobile/Truck rentals through services such as Turo that rent an individual's automobile/truck.
- s. Federally funded or State grant purchases if the grant imposes specific source selection requirements which may be violated by use of the card.
- t. Court Reporter fees and reports

F. Unauthorized Purchases

If a Cardholder makes an unauthorized purchase, the Program Administrator will require the Cardholder to pay the County for the total dollar amount of all unauthorized purchases and other unauthorized costs charged to the Purchase card immediately.

If the Cardholder does not pay for the unauthorized purchase immediately, the Purchasing Card Administrator will notify the County Auditor of the total dollar amount of all unauthorized purchases and other costs charged to the Purchasing Card. The Auditor may deduct the amount from the Cardholder's paycheck unless a settlement is agreed upon with the Cardholder which may provide for installment deductions to pay the amount over time.

A cardholder consents to and authorizes deduction from their pay by signing the Cardholder Application and Agreement.

G. Corporate Card Benefits

Use of the MasterCard Commercial card comes with several benefits. To participate in these benefits the cardholder must have a Purchasing Card issued in their name. Benefits include rental car insurance, baggage insurance, and travel accident insurance. Refer to the Collin County Travel Policy for restrictions on transportation.

H. Sales Tax

As a tax-exempt Public Subdivision, Collin County does not pay Texas sales tax*. Cardholders are responsible for ensuring the merchant does not include sales tax. To assist the Cardholders, a copy of the County's tax exemption certificate is available from the Auditor's Office. If a receipt is submitted with tax charged, the Cardholder must have the tax removed or reimburse the tax amount to the County. Repeated failure to provide vendors with the required Texas tax exemption evidence will be considered a policy violation.

*Exceptions include tax on flights, hotels, rental cars, taxis, and meals purchased by transfer staff.

I. Returns

If the wrong item is received, is not satisfactory, or damaged and/or defective, duplicate order, etc., immediate action is critical. The Cardholder shall first contact the supplier in an effort to resolve the issue through return policies or the normal crediting process. If that does not correct the issue:

1. The Cardholder shall complete an online Dispute Report through the card issuer portal and notify the Program Administrator.
2. If an item has been returned and a credit voucher received, the Cardholder shall allocate the credit to the same account number as the original debit so that the financial system shows both postings. Under no circumstances shall Cardholders accept a cash refund or gift certificate.
3. If purchased items or credits are not listed on the Monthly Statement, the appropriate transaction documentation shall be retained by the Cardholder until the next Monthly Statement. If the purchase or credit does not appear on the Statement within 30 days after the date of purchase, the Cardholder or Department Administrator shall notify the Program Administrator.
4. If items purchased by the use of the Purchasing Card are found to be unacceptable, the Cardholder is responsible for obtaining replacement or correction of the item as soon as possible. If the Vendor has not replaced or corrected the item by the date the Cardholder receives his/her Monthly Statement, then the purchase of that item will be considered in dispute.

J. Document Requirements

1. Over-the-Counter Purchases:

When the purchase is made over the counter, the Cardholder shall retain the "customer copy" of the charge receipt and any available invoices. Prior to signing this merchant's copy, the Cardholder is responsible for making sure that the vendor lists the quantity, fully describes the item(s) on the charge slip, and assures that sales tax is not added to the transaction. The transaction details to include all documentation from the purchase shall also be attached to the reconciliation containing the transaction.

2. Online Purchases:

When making a purchase by telephone or via the internet, the Cardholder shall also print any order, pricing, and purchase verification pages that verify the purchase. When the items arrive, all shipping and invoice documents must also be maintained with the reconciled statement.

3. Purchase Overrides:

In certain instances, a card may be declined related to blocked MCCs or purchase threshold limits. A Cardholder or Department Administrator may contact the Program Administrator to obtain an authorized override of the block or decline. If the override occurs, the Program Administrator will send a confirmation

email to the Department Administrator and Cardholder detailing the conditions and approval. Cardholders are required to maintain and attach to the reconciled statement any confirmation emails or additional information related to overrides.

4. Missing Documentation:

If the Cardholder does not have documentation of a transaction listed on the monthly statement, the Cardholder shall reconcile the transaction in the financial system and attach a signed explanation that includes a description of the item(s) purchased, amount of item, date of purchase, Vendor's name and reason for the lack of supporting documentation.

K. Card Statement

1. The Cardholder or the reconciler/approver shall review and approve the statements within five (5) working days of the statement download into the financial system. All documentation shall be scanned into the financial system. Each department will be responsible for keeping copies of all Purchasing Card related information. This documentation will also be needed for audit purposes.

2. Failure to process the required documentation for Purchasing Card transactions, including reconciling the statement at the prescribed date and time, may result in revocation of Cardholder privilege. Continued or habitual delinquencies shall result in revocation of the Cardholder privileges.

L. Review and Internal Audit

1. The Collin County Purchasing Card program relies on both internal management controls and management reports designed to ensure the proper use. The Purchasing Department and Auditor's Office will periodically review and perform an internal audit on Purchasing Card use for compliance with County policies and procedures and state law. The purpose of these reviews and internal audits will be to ensure that the Cardholders are adhering to these Policies. Audit steps may include a review of the following:

- a. Transactions to ensure the Purchasing Card is being used for authorized purchases related to County business;
- b. Transactions designated as travel related expenses;
- c. Documentation (receipts, packing slips, pricing, etc.) to support the Purchasing Card transactions;
- d. Cardholder account reconciliation.

M. Policy Violations

1. It is the responsibility of the Cardholder to assure all transactions are in compliance with the County's Purchasing Card policies. Each Cardholder and their Department Administrator will review all transactions for each cycle period to identify any transactions that might violate those policies.

2. If the Cardholder, upon review determines a violation has occurred, they must notify the Program Administrator of the violation. Repetitive violations may result in the Cardholder's purchase card privileges being reduced or revoked.

3. The Purchasing Office and Auditor audits all transactions for possible violations and may request specific documentation to determine if a violation has occurred. Failure to provide the requested documentation within seven (7) business days may be grounds for card deactivation.

4. The following items will constitute policy violations. Repeated violations will result in the sanctions detailed in these guidelines.

a. Split Purchases: A total value of a transaction shall not exceed a Cardholder's single purchase limit. Payment for a purchase WILL NOT be split into multiple transactions to stay within the single purchase limit.

1. A total purchase of one item totaling \$1500 or more (including shipping) is a violation if the purchase is made in two or more transactions to keep the total under the \$1,000 single transaction limit; or,

2. The purchase of a group of items totaling over \$1500 (including shipping) for a single purchase need. The single need is a group of items that are similar and purchased from one vendor. Example: purchasing identical supplies of \$1400 on Tuesday and then purchasing the similar or same supplies on Wednesday for \$500 constitutes a split transaction.

b. Sales Tax on Transactions: Collin County, as a Public Sub-Division of the State of Texas, is exempt from sales tax. If a certificate is needed for documentation one may be obtained from the Auditor's Office. Out-of-State vendor's transactions may have sales tax on them if the goods are delivered from out of state. It is the Cardholder's responsibility to assure tax is not charged on transactions. Repeated failure to provide vendors with the required tax exemption evidence may constitute a violation of policy.

c. Failure to Provide Evidence of Documentation/Incomplete Documentation: Cardholders are required to provide original receipts and any required supporting documentation for each transaction.

d. If the Cardholder is unable to obtain a valid receipt, an affidavit must be completed and signed by the Cardholder and their Department Administrator. Failure to provide the documentation may be construed as a policy violation.

e. Purchase of a Prohibited Product/Service: The purchase of any item(s) listed in the "Restrictions and Exemptions", Section "E" of this document, with your purchase card.

f. Personal Purchases: Any purchases for personal use is a violation of County policy and prohibited. Any violation of this policy requires immediate reimbursement to the County and immediate loss of privileges as prescribed in the "Violation Sanction Guidelines" listed below.

g. Card Abuse / Cardholder Fraud: Any suspected abuse or fraud with a County purchase card must be reported to the Purchasing Office immediately. Any Employee or Department Administrator is required to report such abuse immediately so it may be investigated.

N. Revocation of the Purchasing Card

The Purchasing Card is subject to revocation at any time at the discretion of the Program Administrator. The Program Administrator may also recommend to the Purchasing Agent that the card be revoked upon indication of any violation of the Purchasing Card policy and procedures. When a card is revoked, changes are made online and take effect immediately. The Program Administrator is further authorized to temporarily suspend use of the card via electronic methods if unauthorized use is discovered and such use poses a threat to internal financial controls.

O. Violation Sanctions Guidelines

1. Sanctions must be in place to assure violations are dealt with in a manner that protects both the County and the Cardholder. Non-adherence to the policies will result in notifications or possible loss of privileges as detailed in this section. Serious infractions could result in disciplinary action, criminal charges, and/or a combination. All Purchase card users and Administrators that supervise Cardholders are responsible for knowing the policies and guidelines.
2. The following guidelines apply to all purchase card holders.
 - a. First Violation: An email will be sent to the Cardholder, their Department Administrator, and Elected Official/Department Head detailing the infraction and possible results from future violations of that nature.
 - b. Second Violation: Revocation of Purchase Card Privileges.
3. If a second violation occurs, the purchase card may be canceled and the Cardholder will no longer be eligible to obtain a purchase card. The Department would be required to use the Purchase Order system or arrange for someone in the department to take over the purchase card duties. Other disciplinary actions may be taken, up to and including termination of employment.
4. All alleged violations will be thoroughly investigated by the Program Administrator. Additional information may be requested from the Cardholder prior to any card sanction to assure the validity of the sanction or card deactivation.
5. The Purchasing Agent has the authority to revoke the privilege of ANY Cardholder at their discretion due to fraud, abuse, or unauthorized purchases.

P. Cardholder Separation from County

If it is anticipated that a Cardholder may terminate his or her employment, either voluntarily or involuntarily, or if a Cardholder has given notice of termination, the Program Administrator will determine whether there are any outstanding transactions since the last download of transactions into the financial system.

Before a Cardholder ceases employment, the Cardholder must surrender the following to the Department Administrator:

1. Purchasing Card
2. Original sales documents (invoices, cash register tape, Purchase card slips, etc.) for items not previously listed on a Statement
3. Original delivery documents (packing slips, cash register tape, Purchase card slips, etc.) for Items not previously list on a Statement
4. All information and documents related to disputed Items that have not previously been resolved
5. Any other relevant documentation

Upon receipt of these Items, the Department Administrator will review and approve any outstanding statements. The responsibility for the surrendered Purchase Card remains with the Cardholder and Department Administrator until the Program Administrator receives it.

Q. EOC Activation

The Purchasing Card provides the County with a way to facilitate the purchase of items in support of the Emergency Operations Center (EOC) during activation for disaster response. The Purchasing Agent may

temporarily waive the restrictions related to one or more of the items listed in section E. during an activation of the EOC if needed to appropriately respond to the disaster. Purchasing Office employees, and approved designees, may be authorized to utilize Purchasing Cards for these goods and services.

Summary

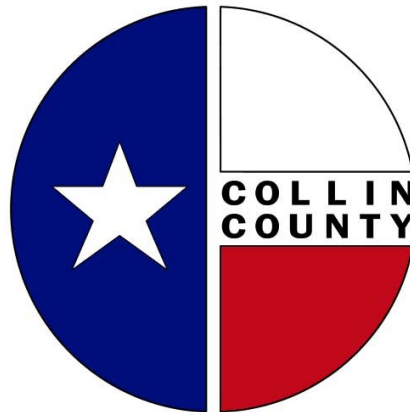
As a public entity, the County must demonstrate to the public that it has spent their tax dollars wisely. All participants in the Purchasing Card program are responsible for ensuring purchases made with the card are in accordance with the County's purchasing policies. Therefore, the Cardholder must make sure they have the appropriate approvals and adequate documentation explaining what was purchased.

Appendix A - Purchasing Card Reconciliation Checklist

1. Open the statement directly from your notification tile or open the Purchase Card Statements program to find the statement. Financials > Accounts Payable > Invoice Processing > Purchase Cards > Purchase Card Statements
2. On the ribbon, click the search and enter your department code or search by the name on the card and select status "New". You may need to use a wild card (*) to help search.
3. On the ribbon, click Transactions to view the transactions that appear on the statement.
4. Click Update. Change the Card Holder for Transaction if necessary, Charge Description, Work Order and Work Order Task if applicable. The charge description must be changed to describe the purchase. Be descriptive on the charge description (who, what, when, where, how) and use CAPITAL letters.
5. Update the account that shows on the statement to the appropriate expenditure account for the transaction. You must change the transaction type from "B" to "E" for the expenditure accounts to show in the field help.
6. When you have finished making changes, click Accept.
7. Click the paperclip icon to open Tyler Content Manager and attach your supporting documentation* for each transaction. Attach at the purchase card transaction type and not at the purchase card statement type or the generic attachment type. Do not send original documentation to Purchasing or the Auditor. Retain these copies in your files for one year.
8. Use the navigation buttons on the bottom of the screen to view additional transactions, making changes as needed.
9. After you have finished updating all transactions, click Return to return to the Purchase Card Statements program screen.
10. Click Release on the ribbon to release the statement to workflow. Never click Mass Release.
11. Depending on your role, you may have to scroll to the bottom of the page and click "Approve" to start the workflow. If the button is grayed out, either you did not release the transaction or you do not have the appropriate authority to approve the transaction.
12. Use the navigation buttons on the bottom of the screen to view additional statements.

* Documentation must be itemized showing what was purchased and the price.

**POCKET GUIDE
FOR CARDHOLDERS**



PURCHASING CARD PROGRAM

Purchasing Card Questions

Phone: 972-548-4165

E-Mail: purchasing@co.collin.tx.us

Rev. 4/1/2024

How Does The Purchasing Card Work?

The Purchasing Card (P-Card) issued by Citibank is a special MasterCard credit card. It works similarly to your personal credit cards, except the charges are billed directly to the County. You are not liable for charges incurred on the card. However, your purchases will be monitored by the County for proper usage.

The purpose of the Purchasing Card Program is to provide Collin County with an efficient and controllable method for completing small dollar transactions for supplies, services, and travel purchases. The purchasing card reduces the need for petty cash, reduces repetitive small value requisition/purchase orders, and provides revenue back to the County through a rebate program. This card policy is not intended to replace, but rather supplement the County's existing purchasing policies.

Only transactions as delineated in the County Purchasing Card Policy are allowed with the P-Card. The card is not a personal line of credit used for personal transactions. The cardholder should contact the Purchasing Office if they have a question before making any purchase. Reimbursements for any out-of-pocket purchases will be denied. Any purchase made with the P-Card that violates County Policy may subject the employee making the purchase to disciplinary action.

The adherence to policy allows continued process savings, accountability, and audibility of purchases.

As a public entity, the County must demonstrate to the public that it has spent their tax dollars wisely. All participants in the purchasing card program are responsible for insuring purchases made with the card are in accordance with the County's purchasing policies. Therefore, the cardholder must make sure they have the appropriate approvals and adequate documentation explaining what was purchased.

What Do I Do With My Receipts?

!!!IMPORTANT!!!

Whether a purchase is made in person, via telephone, internet, or mail, you must obtain some form of official supporting documentation, such as:

- Detailed cash or sales receipts
- Packing slips with dollar amounts
- Any other detailed document, which shows the cost and the vendor name.

These documents **MUST** be kept and given to whoever in your department is responsible for reconciling the charges from Citibank in the Munis system.

IN ORDER FOR THE P-CARD PROGRAM TO BE SUCCESSFUL YOU MUST RETAIN AND TURN IN YOUR RECEIPTS.

Monthly Billing Cycle/Reconciliation

The billing cycle ends on the 3rd of each month with the next day beginning a new billing cycle. Transactions downloaded from Citibank must be reconciled within 5 working days.



How Will My P-Card Be Audited?

P-Cards will be audited and reviewed by Purchasing and the Accounts Payable staff. They will be looking at the following for compliance:

- Have detailed receipts for charges and/or credits being submitted?
- Have the charges and credits from Citibank been properly reconciled to the correct account(s) in the Munis system?
- Are items being purchased not allowable due to purchasing regulations and/or laws?
- Is the charge being split in order to avoid the single transaction limit on card?

Non-compliance with any of the above may result in a disciplinary action in accordance with the County Purchasing Card Policy.

Merchandise Returns and Exchanges

When necessary, items should be returned according to vendor specifications. The cardholder is responsible for ensuring that proper credit is posted for any returned items. **UNDER NO CIRCUMSTANCE IS CASH TO BE GIVEN IN LIEU OF A CREDIT BACK TO THE CARDHOLDER'S ACCOUNT.**

Revocation of P-Card

The purchasing card is subject to revocation at any time at the discretion of the Program Administrator. The Program Administrator may also recommend to the Purchasing Agent that the card be revoked upon indication of any violation of the purchasing card policy and procedures. The Program Administrator is further authorized to temporarily suspend use of the card via electronic methods if unauthorized use is discovered and such use poses a threat to internal financial controls.

Cardholder responsibilities

The Cardholder must only use the P-Card for legitimate County business purposes. Misuse of the card may subject Cardholder to disciplinary action.

The Cardholder MUST:

- Only use the P-Card for official County business.
- Adhere to purchase limits/restrictions imposed on your P-Card.
- Obtain ALL sales slips, register receipts, etc. and provide these to the department administrator/reconciler who is responsible for reconciling these charges.
- Return the P-Card to your department administrator upon terminating employment, or if no longer using the P-Card.
- If in doubt as to whether or not something can be purchased, please contact your department administrator or the Purchasing Card Program Administrator

Transaction/Card Limits

Each individual P-Card will have single transaction and monthly spending limits. The department head/elected official sets these limits. Any time one of these control limits are exceeded, the transaction will be denied. The Program Administrator can make a change to these limits with the appropriate department head/elected official written approval.

Lost/Misplaced/Stolen Purchasing Cards

Cardholders are required to report any lost or stolen P-Card immediately to their department administrator and the purchasing card program administrator. If they are not available, contact Citibank toll-free at 1-800-248-4553 (24 hours a day, 365 days a year).

Charges Not Allowed

- **Single Commodity over \$1,000.00**
- **Personal Purchase or Purchases for Family/Friends**
- **Alcoholic Beverages**
- **Money Orders/Cashiers Check**
- **Purchases not Approved in Your Budget**
- **Cash Advances/Gift Cards/Gift Certificates**
- **Purchases Made in Order to Bypass Normal Purchasing Procedures**
- **Services from Individuals**
- **Personal Items**
- **Donations or Charitable Contributions**
- **Software/IT Equipment without IT Approval**
- **Furniture**
- **Fuel for Non-County Related Business**
- **Gifts/Awards/Prizes**
- **Utilities**
- **Telephone Service and Equipment**
- **After the Fact invoices**
- **Airbnb or Similar Personal Lodging**
- **Turo or Similar Personal Car Rentals**
- **Federally Funded or Grant Purchases**
- **Court Report fees and reports**

Sales Tax

As a tax-exempt Public Subdivision, Collin County does not pay Texas sales tax*. Cardholders are responsible for insuring the merchant does not include sales tax. To assist the Cardholders, a copy of the County's tax exemption certificate is available in the Auditor's Office. If a receipt is submitted with tax charged, the cardholder must have the tax removed or reimburse the tax amount to the County. Repeated failure to provide vendors with the required Texas tax exemption evidence will be considered a policy violation.

*Exceptions include hotels, flights, rental cars and transfer staff meals.

Appendix C - Cardholder Application and Agreement

| <u>APPLICANT INFORMATION</u> | | |
|--|---------------------------------|-------------------------|
| First Name: | Last Name: | Middle Initial: |
| Employee ID: | Social Security Number: XXX-XX- | (Last Four Digits Only) |
| Business Phone: | Mobile Phone: | |
| Email: | | |
| Department: | | |
| Department Address: | | |
| City: | State: | ZIP Code: |
| <u>ELECTED OFFICIAL/DEPARTMENT HEAD INFORMATION</u> | | |
| Name: | | |
| Title: | | |
| <u>PURCHASING LIMITS</u> | | |
| Single Purchase Limit: | Monthly Purchase Limit: | |
| <u>PURCHASE CARD TRANSACTION RECONCILIATION</u> | | |
| Will Applicant Reconcile Own Charges in Munis: ___Yes ___No If No, Complete Below | | |
| Reconciler Name: | | |
| Reconciler Munis Login ID: | Reconciler E-mail: | |
| <u>INTERNAL USE ONLY</u> | | |
| Card Order Date: | Card Received Date: | Date of Training: |
| Control# (last 6): XXXX-XXXX-XX | Expire Date: | |

TERMS AND AGREEMENT

The undersigned employee of Collin County hereby agrees as follows (please initial):

___(1) Employee is required to obtain approval for, and reconcile all, Purchasing Card transactions in Munis. This includes obtaining any required approvals for Purchasing Card purchases and code the transactions with the appropriate general ledger account in Munis. Employee understands that if approval and coding are not complete on time the Purchasing Card may be terminated or suspended;

___(2) Employee understands and agrees that the Purchasing Card must be used for business purposes ONLY, for the specific purchasing purpose designated for that card account and that the County is liable to Citibank for all charges made on the Purchasing Card. The card may not be used for personal purchases or for business purposes outside the intended use of the card account. No cash advances may be taken;

___(3) Employee understands that the burden of proof lies with them that the items purchased were made in compliance with the policy as set forth in the Collin County Purchasing Card Policy and Procedures Manual (Policy). Employee agrees to comply with competitive procurement policies and will obtain the best value when using the Purchasing Card to make a purchase.

___(4) Employee further agrees that any charge incurred on Purchasing Card which is deemed unallowable will be required to be reimbursed to Collin County. These unallowable charges are required to be reimbursed to Collin County with Employee's personal check or an official check purchased by Employee;

___(5) If Employee no longer requires the use of the Purchasing Card for business expense purposes, Employee is required to immediately return the card to the Department Administrator;

____(6) Employee is required to immediately report a lost or stolen card to Citibank, their Department Administrator and the Program Administrator;

____(7) Employee acknowledges that the Purchasing Card administrator will have access to complete transaction activity/history, payment history, and monthly statements. Employee agrees that statements of the account will be disclosed to and reviewed by management personnel as deemed necessary and appropriate by Collin County. Additionally, Employee waives and releases Collin County from any claims related to such disclosure and review, including without limitation claims for invasion of privacy;

____(8) Employee understands that noncompliance and/or violation of the Policy may result in suspension or termination of card privileges, and disciplinary action up to and including termination. Employees found to have used card privileges fraudulently may be terminated and may face criminal prosecution. Such disciplinary action shall be governed by the terms of the *Employee Handbook* or other policies;

____(9) If Employee leaves his or her employment for any reason, Employee agrees to immediately return the Purchasing Card to their manager prior to departure. Employee further agrees that he or she will submit a final reconciled statement prior to departure;

____(10) Employee is responsible to notify the Program Administrator in regard to any disputes. The Program Administrator will work with Employee to help settle any disputes directly with Citibank or the merchant. Disputes may include, but are not limited to, transaction amounts differing, defective merchandise, credit not processed, credit posted as debit, duplication of charges, etc.;

____(11) Employee is required to comply with instructions from the Program Administrator and Auditor in regard to card account audits and Employee is responsible to produce any requested documentation during an account audit.

____(12) If Employee does not pay for unauthorized purchases immediately, the Purchasing Card Administrator will notify the County Auditor of the total dollar amount of all unauthorized purchases and other costs charged to the Purchasing Card. The Auditor may deduct the amount from the Cardholder's paycheck unless a settlement is agreed upon with the Cardholder which may provide for installment deductions to pay the amount over time. Employee consents to and authorizes the deduction from their pay by their signature below.

By signing below, the undersigned Employee of Collin County (a) requests the Purchasing Card indicated on this Application, (b) has read, understands and agrees to the above terms and conditions for using the Purchasing Card, (c) has received, read, and understands the Purchasing Card Policy and Procedures Manual, and (d) understands they are being entrusted with the Purchasing Card and will be making financial commitments on behalf of the County.

| | |
|--|--------------|
| Employee Signature: | Date: |
| | |
| Elected Official/Department Head Signature: | Date: |
| | |
| Purchasing Agent Signature: | Date: |
| | |