



## DINWIDDIE COUNTY FINANCE POLICIES AND PROCEDURES

### PURCHASING CHARGE CARD PROGRAM

*Revised & Adopted February 18, 2014; October 2, 2014, February 27, 2015, September 19, 2017, November 18, 2025*

#### POLICY

Dinwiddie County departments and offices will participate in the purchasing charge card program for the purpose of enabling departments and offices to streamline the procurement and payment of small dollar goods and services. The use of the purchasing charge card should be viewed as an efficient means of payment, rather than a substitute for proper procurement procedures as outlined in the current Dinwiddie County Purchasing Policies and Procedures document.

#### DEFINITIONS

- A. Purchasing Charge Card (PCard):** A credit card issued by a financial institution for the authorized purchase of appropriate expenditures.
- B. Financial Institution:** The purchasing charge card service provider, who is currently Bank of America VISA.
- C. PCard Program Administrator:** The Deputy County Administrator – Finance or designee will be responsible for the administration and training of the County’s purchasing charge card program.
- D. Accountholder:** Each County department/office will be issued a PCard(s) in the name of that department. Accountholder is the name on the credit card.
- E. User:** Employee(s) within the department/office designated by the Department Head or Constitutional Officer to make purchases following the card terms and conditions as outlined in this policy.
- F. Reconciler:** The individual within each County department/office who will be responsible for tracking and reconciling authorized card purchases and receipts to the billing statement issued by the financial institution.
- G. Approver:** The individual within each County department/office who has the authority to approve expenditures for that department/office – generally the Department Head or Constitutional Officer.
- H. PCard Accountant:** The individual within the Accounting Department who is responsible for uploading all bank transactions into the County’s ERP system, reviewing all PCard transactions and documentation, and preparing the invoice for payment.

#### PROCEDURES

##### **A. Issuance of PCards**

1. At the commencement of the PCard program, each County department/office will be issued at least one card with a spending limit set by the PCard Program Administrator.
2. Additional cards may be requested by the department/office Approver if a business need can be documented.

3. In unusual cases for a specific purchase, a temporary increase to the spending limit may be requested by the Approver to the Program Administrator.
4. Each department/office must establish their own internal controls and separation of duties in relation to PCard safeguarding, usage, reconciling, and approving. The same employee shall not perform all of the listed tasks below.

#### **B. PCard Use**

1. The PCard Approver in each department/office shall be responsible for pre-authorizing card purchases and complying with the current Dinwiddie County Purchasing Policies and Procedures.
2. The County encourages payment of invoices with a PCard as long as it is within the cards spending limit and there are no fees to do so.
3. Dinwiddie County is exempt from sales tax for goods purchased in or delivered to Virginia. Retail sales of meals, charges for lodging and purchases of goods in other states remain subject to sales tax. The PCard User is responsible for ensuring that sales tax is not charged on exempt purchases. Should taxes be added to an exempt purchase, the PCard User who made the purchase is responsible for seeing that taxes are removed or credited to the PCard. Failure to remove taxes could result in the PCard User personally paying for taxes on that purchase.
4. Any authorized online purchases shall be made from an account that is set up with tax exempt status. The Procurement Office is the only department allowed to setup online accounts on behalf of the County. An employee's email may not be used to setup an online account. Contact the Purchasing Office to request account setup or to obtain existing account information. Any existing accounts that are in violation of this section, must be immediately cancelled and/or discontinued use.
5. PCards shall only be used for authorized County business purposes and shall not be used for cash advances, gift cards, entertainment or other personal purposes.
6. PCards may be used for approved travel and training-related expenditures. The user should follow the County's Travel/Training Policy, completing a Travel/Training Authorization Request Form as appropriate. **Every individual travel related charge must include a completed Travel Authorization Form as part of the backup documentation.**
7. PCards shall not be used to purchase goods/services that are funded by federal or state grants, unless the PCard rebate is calculated and subtracted from the original reimbursable invoice amount. Departments should see the Procurement Office for other means of payment of grant purchases.
8. Original, itemized receipts must be obtained at time of purchase and forwarded to the PCard Reconciler to verify the purchase.
9. If a receipt is lost, the User must obtain another receipt from the vendor or submit a signed missing credit card receipt form.
10. PCards issued to a County department/office are not to be shared with other departments/offices.
11. The PCard Approver shall be responsible for the safekeeping of the department/office's card(s). Lost or stolen cards must be reported **immediately** to Program Administrator so that the old card may be cancelled and a new card issued. Damaged cards should be reported to Program Administrator to order a replacement card.

### **C. Monthly PCard Reconciliation and Payment Cycle**

1. PCard Accountant is responsible for uploading transactions, monitoring card reconciliations and approvals, and preparing the PCard Statements for payment in accordance with the Prompt Payment Act.
2. PCard transactions are uploaded into the County's ERP system for reconciliation and payment. The PCard Reconciler and Approver in each department/office will be trained by the Program Administrator on the appropriate use of this system.
3. PCard reconciliation is the process of verifying the accuracy of all posted card transactions, both charges and credits, and coding the transactions for payment.
4. PCard Reconciler shall upload receipts and process transactions on a weekly basis. Each transaction shall include an itemized receipt, brief description, invoice number and account code(s).
5. In order to meet the payment deadlines, PCard reconciliation should be a continuous process throughout the month. The PCard Reconciler shall notify their department/office's Approver in a timely manner when there are transactions to approve.
6. The PCard billing cycle runs monthly, with all reconciliation and approvals due no later than the 10<sup>th</sup> of the following month.
7. All PCard Statements must be paid in full each month to avoid interest charges, even if there are fraudulent charges that have not yet been resolved.
8. PCard Reconciler should attempt to resolve transaction disputes directly with the vendor. If unable to resolve the dispute within a reasonable time period, contact the Program Administrator for assistance. Any suspected fraud charges shall be reported to the Program Administrator immediately.

### **D. Violation of these rules, repetitive lost receipts, or repetitive taxes added to exempt purchases may result in revocation of the department card(s), revocation of a User's card privileges and/or disciplinary action.**

#### **Distribution of PCard Policy to County Employees; Employee Acknowledgement**

A copy of the PCard Policy shall be distributed to each County employee. Each County employee shall acknowledge receipt of the Policy.