



**DINWIDDIE COUNTY
DIVISION OF FINANCE & GENERAL SERVICES
POLICIES AND PROCEDURES**

PURCHASING CHARGE CARD PROGRAM

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

POLICY

Dinwiddie County departments and offices will participate in the purchasing charge card program for the purpose of enabling County 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 using the Works on-line card service system.
- C. PCard Program Administrator:** The Division Chief, Finance and General Services will be responsible for the administration and training of the County's purchasing charge card program.
- D. Accountholder:** Each County department and office will be issued a PCard(s) in the name of that department or office. Accountholder is the name on the credit card.
- E. User:** Employee(s) within the department/office designated by the Division Chief, 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 and office who will be responsible for tracking and reconciling authorized card purchases and receipts to the PCard on-line billing statement issued by the financial institution.
- G. Approver:** The individual within each County department and office who has the authority to approve expenditures for that department or office – generally the Division Chief, Department Head or Constitutional Officer.
- H. PCard Accountant:** The individual within the County Accounting Department who is responsible for reviewing all Pcard purchases and documentation and preparing the payment file for Accounts Payable.

PROCEDURES

- A. Issuance of PCards**
 - a. 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 Program Administrator.
 - b. Additional cards may be requested by the department Approver if a business need can be documented.

- c. In unusual cases for a specific purchase, a temporary increase to the spending limit may be requested by the Approver to the Program Administrator.

B. PCard Use

- a. 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.
- b. 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.
- c. 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 are 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. Failure to remove taxes could result in the PCard user personally paying for taxes on that purchase.
- d. 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, unless prior authorization is provided. 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.
- e. 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.
- f. 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. All travel related charges must include a completed Travel Authorization Form as part of the backup documentation.
- g. 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.
- h. Original, itemized receipts must be obtained at time of purchase and forwarded to the PCard Reconciler to verify the purchase. At month-end all receipts should be forwarded to the PCard Accountant with the approved monthly billing report.
- i. If a receipt is lost, the Approver must obtain another receipt from the vendor or submit a signed missing credit card receipt form. PCards issued to a County department/office are not to be shared with other departments/offices.
- j. 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.
- k. 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 above listed tasks.

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

C. Monthly PCard Reconciliation and Payment Cycle

- a. PCard reconciliation is the process of verifying the accuracy of all posted card transactions, both charges and credits, and coding the transactions for payment.
- b. Bank of America VISA uses an on-line card services program called Works. The PCard Reconciler and Approver in each department/office will be trained by the Program Administrator on the appropriate use of this system. (See the Works Interface Training PowerPoint posted on the County's Accounts Payable web page.)
- c. The PCard billing cycle runs from the 16th of the month to the 15th of the following month, with all reconciliation, approvals, the Monthly Card Report and corresponding receipts due to Accounting no later than the 25th of each month. The Monthly Card Report and corresponding receipts will be filed in Accounts Payable with the card payment.
- d. All hardcopy receipts and backup documentation submitted to Accounting must be scanner ready.
- e. **All PCards must be paid in full each month to avoid interest charges.**
- f. Failure of a department to submit monthly PCard documentation on time could result in limited use of the PCard for the following month. . Repeated violators could result in revocation of the departments/office's card(s).
- g. In order to meet the payment deadlines, PCard reconciliation should be a continuous process throughout the month. The PCard Reconciler shall notify their department's Approver in a timely manner when there are transactions to approve.
- h. PCard Approver 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.
PCard Accountant will monitor card reconciliations and approvals, build and send monthly reports to the departments/offices within the on-line PCard system, and submit the final file to Accounts Payable to be uploaded to BAI for card payment in accordance with the Prompt Payment Act.