

HARDEE COUNTY
PURCHASING CARD PROGRAM
POLICIES AND PROCEDURES
9/11/03

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INTRODUCTION

Welcome to the HARDEE COUNTY Purchasing Card Program. This program is designed to assist in the management of low-dollar purchases and brings many benefits to HARDEE COUNTY, its employees and suppliers.

What is the Purchasing Card?

The Purchasing Card is a credit card issued by Bank of America. It is a fast and flexible purchasing tool which provides an extremely efficient and effective method of purchasing and paying for small dollar items with a total value of \$300 or less.

The Purchasing Card works just like a personal credit card and will enable Cardholders to purchase non-restricted commodities directly from suppliers. Purchases can be completed with suppliers over the phone or in person.

The Purchasing Card will be issued in the employee's name with the "HARDEE COUNTY" name being clearly indicated on the card.

The Purchasing Card program brings many benefits to...

Cardholders - A Cardholder will be able to obtain goods and services under \$300 (\$750) directly from suppliers without the need to use the paper intensive Requisition/Purchase Order process. By streamlining the purchasing process, the Purchasing Card will also help improve turnaround time on the delivery of goods and services.

HARDEE COUNTY - The Purchasing Card program provides a cost-efficient method for purchasing small dollar goods. Built-in card features make the program easy to control and reduces processing costs at all levels by minimizing the number of procurement related invoices and checks. This reduced workload provides employees with time they need to focus on negotiating strategic large dollar purchases.

Suppliers - The Purchasing Card will be welcomed by over 17 million suppliers worldwide. When accepting the card for business purchases, suppliers need not send invoices since they will receive payment directly from Bank of America (via the Card Association) within 48 hours. All the supplier will need to do is send a paid receipt to the Cardholder.

CONTACT INFORMATION

Purchasing Card Program Administrator:

**Hardee County
Jack Logan, Purchasing Director
205 Hanchey Rd
Wauchula, FL 33873
Phone: (863) 773-5014
Fax: (863) 773-0322
E-MAIL: jack.logan@hardeecounty.net**

Assistant Administrator:

**Hardee County
Melody Fields
205 Hanchey Rd
Wauchula, Fl 33873
Phone: (863) 773-5014
Fax: (863) 773-0322
E-mail: melody.fields@hardeecounty.net**

Bank of America Card Services

Program Administrator Contact (8:30 to 5:00 E.S.T):

**NationsBank Card Services
Attn: Account Specialist Edna Wofford
VA6-200-11-10
3 Commercial Place
Norfolk, VA 23510-2108
(757) 533-7298
Fax: 1-800-253-5846
Edna.H.Wofford@bankofamerica.com**

Cardholder Contact (24 hours a day, 365 days a year):

Toll Free 1-800-538-8788

PARTIES INVOLVED

Card Issuer

The Card Issuer, Bank of America, issues Purchasing Cards to approved HARDEE COUNTY employees, provides electronic transaction authorization, and bills HARDEE COUNTY for all purchases made on HARDEE COUNTY'S Purchasing Cards.

Purchasing Card Program Administrator

The Purchasing Card Program Administrator serves as the main contact for HARDEE COUNTY. The Program Administrator acts as the intermediary for establishing and maintaining Bank of America Management Reports and for coordinating all Cardholder maintenance (adds, changes and closures) with Bank of America. The Program Administrator also coordinates bill payment and monitors overall performance of the program against qualitative and quantitative goals.

Supervisor

A HARDEE COUNTY Supervisor is responsible for approving Purchasing Card applications for their employees, designating a default cost center for the Purchasing Card, and submitting employee applications to the Purchasing Card Administrator. Supervisors are also responsible for reviewing Management reporting to monitor compliance with the HARDEE COUNTY Policies and Procedures manual.

Cardholder

A HARDEE COUNTY employee who is approved by his/her Supervisor to use the Purchasing Card to execute purchase transactions on behalf of HARDEE COUNTY.

Supplier

The vendor from whom a Cardholder is making a purchase.

PROGRAM INFORMATION

Cardholder Eligibility

Criteria to receive a Purchasing Card is as follows:

1. Applicant must be an employee of HARDEE COUNTY.
2. Each individual Cardholder must sign a Purchasing Card Agreement provided by the Program Administrator (See Appendix 1).
3. Applicant's request for a Purchasing Card must be approved by his/her Supervisor and returned to the Program Administrator.

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 the Purchasing Card Policies and Procedures Manual. Failure to comply with program guidelines will result in permanent revocation of the card, notification of the situation to management, and further disciplinary measures that may include termination.

Cardholder Account Closure

The Program Administrator 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) or for any of the following reasons:

1. The Purchasing Card is used for personal or unauthorized purposes.
2. The Purchasing Card is used to purchase alcoholic beverages or any substance, material, or service which violates HARDEE COUNTY policy, law or regulation pertaining to HARDEE COUNTY.
3. The Cardholder allows the card to be used by another individual.
4. The Cardholder splits a purchase to circumvent the limitations of the Purchasing Card.
5. The Cardholder uses another Cardholder's card.
6. The Cardholder fails to provide receipts for all transactions (unless missing documentation provide as described in Cardholder responsibilities #10).
7. The Cardholder fails to provide, when requested, information about any specific purchase.
8. The Cardholder accepts a cash refund in lieu of credit to the Purchasing Card account.
9. The Cardholder does not adhere to HARDEE COUNTY'S Policies and Procedures Manual.

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 Supervisor and the Program Administrator about the lost or stolen card at the first opportunity during normal business hours.

Recommended Purchases

The following are examples of recommended uses for the Procurement Card:

- Small Dollar Purchases
- Maintenance Items (BG & Shop)
- Internet Purchases
- Conference Registrations
- Animal Food
- Reservations

Prohibited Purchases

Do not use the purchasing card to purchase the following items:

- Capital Items
- Personal Transactions
- Massage Parlors
- Liquor Stores
- Escort Services
- Postage
- Purchases over \$300

If there are any questions as to whether a transaction is allowed or not, the Cardholder should contact the Program Administrator.

Supplier Blocking

Transactions will be blocked at the point-of-sale for the types of suppliers included on the Blocked Merchant Category Classification Code Listing (See Appendix 2). Changes to the blocking list can be made as demonstrated by business need. A Cardholder should contact the Supervisor who will need to approve the request before asking the Program Administrator to change the blocking list associated with the Cardholder's profile at Bank of America.

Spending Controls

The Purchasing Card is to be used only for the purchase of goods. HARDEE COUNTY'S standard spending parameters for a Purchasing Card are set at \$300 per transaction with a maximum of \$3000 per month per card. Any exception to HARDEE COUNTY standards must be approved by the Cardholder's Supervisor before requesting the Program Administrator to change the Cardholder's profile at Bank of America.

Erroneous Declines

If the Cardholder feels that the Purchasing Card has been erroneously declined by a supplier, the Program Administrator should be contacted for assistance. The Program Administrator will contact Bank of America to determine the reason for the decline and will make appropriate changes to the Cardholder profile.

If a purchase is being made outside of normal HARDEE COUNTY business hours, the employee must find an alternate payment method or terminate the purchase and contact the Program Administrator during normal business hours (8-5, M-F).

Credits

Suppliers should issue all credits for returned merchandise or services to the individual Purchasing Card account for any item they have agreed to accept for return. **UNDER NO CIRCUMSTANCES SHOULD A CARDHOLDER ACCEPT CASH IN LIEU OF A CREDIT TO THE PURCHASING CARD ACCOUNT.**

Unresolved Disputes And Billing Errors

The Supervisor is responsible for contacting the supplier to resolve any disputed charges or billing errors within 60 days of receiving a statement. If the matter is not resolved with the supplier, the Cardholder should:

1. Contact Bank of America at 1-800-538-8788 directly for assistance.
2. Fax a signed Bank of America Dispute Form (See Appendix 3) to Bank of America at 1-800-253-5846 to document the reason for the dispute.
3. If the dispute is resolved in the Cardholder's favor, a credit in the amount of the disputed transaction will appear on a subsequent Cardholder statement.
4. Contact the Program Administrator for assistance if an acceptable resolution is not obtained.

Security And Storage

Cardholders should always treat their Purchasing Card with at least the same level of care as 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.

Reconciliation and Approval

1. At the close of the monthly billing cycle, Bank of America will send a statement of all Cardholder activity to HARDEE COUNTY Purchasing Department. Purchasing will receive a paper statement mailed by Bank of America to the County Program Administrator.
2. Program Administrator reconciles the statement against accumulated receipts/ packing slips or other supporting documentation. The immediate supervisor reviews Cardholder transactions. Once his review is completed, the supervisor will initial and date his review and forward the statement to the Program Administrator within three (3) workdays after receipt from the Program Administrator.
3. After supervisors certification of individual statements, the Program Administrator will receive approved statements for the purpose of final review for completeness before forwarding them to the Accounting Department for payment processing. The Program Administrator should forward cardholder statements with attachments in the order that they appear on the statement to the Accounting Department within five (5) workdays following receipt from supervisors. .
4. All transactions will post to the default cost center and general ledger number associated with the Card.
5. Payment is made to Bank of America upon completion of pre-audit and approval.

Sales Tax

HARDEE COUNTY IS TAX EXEMPT. TAX EXEMPT #35-06-002889-53C

Audit Assistance

The Program Administrator will perform or assist HARDEE COUNTY'S internal audit in a periodic audit of HARDEE COUNTY'S internal policies and procedures and will select and audit monthly Cardholder Memo Statements and other documentation as required by the Agency's Policies and Procedures. The Accounting Department may, from time to time, perform random procedural compliance audits on the Purchase Card Program. The Program Administrator may be requested to assist with those reviews wherever necessary.

CARDHOLDER RESPONSIBILITIES

The Cardholder must:

1. Ensure the Purchasing Card is used for legitimate business purposes only.
2. Maintain the Purchasing Card in a secure location at all times.
3. Not allow other individuals to use their Purchasing Card.
4. Adhere to the purchase limits and restrictions of the Purchasing Card and ensure the total transaction amount of any single transaction does not exceed \$300.
5. When a purchase is made that will be paid using the Purchasing Card, the Cardholder is to obtain a receipt or packing slip for **ALL** transactions which will become the accounting document. Make sure all carbon copies are destroyed. *The receipt or vendor's sales receipt for purchases must be supplied.* When purchases are conducted by telephone, request the vendor to forward the receipt.
6. Submit receipts and \ or packing slips to their immediate supervisor..
7. Make returns/exchanges and ensure that proper credit is received for returned merchandise. DO NOT accept cash in lieu of a credit to the Purchasing Card account.
8. If for some reason the cardholder does not have documentation of the transaction, he must provide an explanation with a statement that includes a description of the item, date of purchase, merchant's name and why there is no supporting documentation. IF THIS OCCURS MORE THAN 3 TIMES IN A TWELVE MONTH PERIOD, HIS/HER PURCHASING CARD WILL BE CANCELLED.
9. Immediately report a lost or stolen card to Nations Bank at 1-800-538-8788 (24 hours a day, 365 days a year). Immediately notify your supervisor of a lost or stolen Purchasing Card at the first opportunity during normal business hours.
10. Return the Purchasing Card to Supervisor upon terminating employment with HARDEE COUNTY or transferring Departments within HARDEE COUNTY.
11. If a supplier does not accept credit cards, contact the Program Administrator.
12. Report erroneous declines or fraudulent charges to Supervisor and the Program Administrator during normal business hours.

SUPERVISOR RESPONSIBILITIES

The Supervisor is directly responsible for overseeing the Purchasing Card activity of the Cardholder. The Supervisor must:

1. Ensure the Purchasing Card is used for legitimate business purposes only.
2. Provide approval by signing, furnish account number and send to Program Administrator within 3 days after receipt of charge ticket from cardholder.
3. Inform Program Administrator if Cardholder transfers to a different department.
4. Inform Program Administrator of a Cardholder blocking code or credit limit profile change.
5. Inform Program Administrator if Cardholder terminates employment.
6. Inform Program Administrator if Cardholder violates policies and procedures as documented in this manual which will also subject Cardholder to disciplinary action.
7. Return to Program Administrator Purchasing Cards for Cardholders who have been transferred, no longer need the card, or have left HARDEE COUNTY.
8. Notify Program Administrator and Accounting immediately of lost or stolen cards. Follow up with a memo to the Program Administrator with a copy to Accounting.

PURCHASING CARD PROGRAM ADMINISTRATOR RESPONSIBILITIES

1. Acting as a liaison with Bank of America.
2. Reviewing approved Cardholder applications for completeness of required information.
3. Submitting Cardholder application, change requests, and closure to Bank of America.
4. Providing training material to Supervisors and Cardholders before releasing Purchasing Card.
5. Having Cardholder sign Purchasing Card Agreement (Appendix 1), signifying agreement with the terms of the Purchasing Card Program.
6. Retaining signed Purchasing Card Agreements in a secure location.
7. Ensuring that lost or stolen cards have been blocked by HARDEE COUNTY
8. Forwarding supplier set up requests to Bank of America.
9. Assisting Cardholders with erroneous declines, unresolved supplier disputes, lost stolen cards and fraudulent charges.
10. Utilizing Bank of America paper and or electronic reports to administering the Purchasing Card program.
11. Receiving and reviewing Bank of America bill.
12. Distributing monthly reports to Supervisors.
13. Analyzing exception reports.
14. Reconciling the Bank of America statement with the electronic file.
15. Processing statement to Accounts Payable by 15th of each month for proper Cost Center and G/L distribution. Receipts are to be stapled to the statement in the order that they appear on the statement.
16. The Program Administrator will provide a copy of each cardholder set-up profile at the time of approval and as changes are made to the Accounting Department.

ROLE OF THE ACCOUNTING OFFICE

The role of the Accounting Office, as an agent of the Clerk of the Board, is to serve as the Accountant and Treasurer to the Board of County Commissioners.

- (1) Pre-auditing all payment requisitions, prior to disbursement, to review for accuracy and to determine whether or not they are legal and proper, and that appropriate policies and procedures have been complied with
- (2) Purchases will be paid by the Accounting Department once the Cardholder's certification and the approving Supervisor's verification have been completed and an account number assigned for each transaction.
- (3) Rejecting any payment requisitions for purchasing transactions where the policies and procedures outlined in this manual have not been complied with.
- (4) Disbursing funds for purchasing transactions which are legal and proper, and in compliance with all appropriate policies and procedures.
- (5) Recording all disbursements in the County's accounting records.
- (6) The Accounting Department may, from time to time, perform random procedural compliance audits on the Purchase Card Program. The Program Administrator may be requested to assist with those reviews wherever necessary.

FREQUENTLY ASKED QUESTIONS

How does a Purchasing Card differ from my Corporate Card?

There are two primary distinctions between a Purchasing Card and a Corporate Card. First, a Purchasing Card program provides the ability to restrict where and how a card can be utilized. Secondly, a Purchasing Card transaction may have more data (sales/ use tax, unique identifier) than a standard Corporate Card transaction.

How can a Cardholder's card get rejected by a merchant \ supplier?

A Cardholder's card can be rejected by a supplier if any of the transaction authorization controls are violated. A HARDEE COUNTY card may be declined for the following reasons: the transaction amount may be greater than the authorized per transaction amount on the card, the transaction may push the Cardholder over their monthly credit limit, the Cardholder may be attempting a transaction at an unauthorized supplier or supplier type. However, if a Cardholder feels that they were erroneously declined, contact the Program Administrator for additional assistance.

Why does a Cardholder need to relinquish a Purchasing Card when changing departments?

When a HARDEE COUNTY employee moves from one department to another, the Purchasing Card policy requires the employee to relinquish their Purchasing Card to their previous Supervisor. The policy exists for a number of reasons:

- A Cardholder's cost center information is "built in" to the structure of the Purchasing Card. Charges made to a card will be charged to a specific cost center. If a Cardholder moves to a new department and continues to use their old Purchasing Card, the charges will not be booked to the correct cost center.
- The Cardholder's responsibilities in the new department may not require the need for a Purchasing Card.
- The Cardholder's new Supervisor must authorize the use of a Purchasing Card.

What are the consequences to a Cardholder for Purchasing Card misuse?

Improper use of the card will result in a HARDEE COUNTY Security investigation which may lead to disciplinary action, up to and including prosecution and termination of employment. Should the Cardholder fail to use the card properly and charges are unaccounted for, the Cardholder has authorized HARDEE COUNTY to deduct such amount from the Cardholder's salary equal to the total amount of unaccountable expenditures. The Cardholder also agrees to allow HARDEE COUNTY to collect any amounts owed by the Cardholder even if no longer employed by HARDEE COUNTY.

APPENDIX

- 1. HARDEE COUNTY PURCHASING CARD AGREEMENT**
- 2. LISTING OF BLOCKED MERCHANT CATEGORY CLASSIFICATION CODES**
- 3. CARDHOLDER DISPUTE FORM**
- 4. PURCHASING CARD APPLICATION**

HARDEE COUNTY Purchasing Card Agreement

AGREEMENT TO ACCEPT HARDEE COUNTY PURCHASING CARD

HARDEE COUNTY is pleased to offer you the Bank of America Purchasing Card. It represents HARDEE COUNTY'S trust in you and your empowerment as a responsible agent to safeguard HARDEE COUNTY'S assets.

I _____ hereby acknowledge receipt of the HARDEE COUNTY Purchasing Card Program Policies and Procedures document and confirm that I have read and understand its terms. As a Cardholder, I agree to comply with said document and understand that HARDEE COUNTY is liable to Bank of America for all HARDEE COUNTY approved purchases.

I agree to use the Purchasing Card for HARDEE COUNTY approved purchases and agree not to charge personal purchases. I understand that HARDEE COUNTY will audit the use of the card and report any discrepancies.

I further understand that improper use of the card will result in a Corporate Security investigation which may lead to disciplinary action, up to and including prosecution and termination of employment. Should I fail to use the card properly, I authorize HARDEE COUNTY to deduct such amount from my salary equal to the total amount of unaccountable expenditures. I also agree to allow HARDEE COUNTY to collect any amounts owed by me even if I am no longer employed by HARDEE COUNTY.

In the event that the Purchasing Card is not used as herein stated, I hereby authorize HARDEE COUNTY to release my last known address and any information relating to my use of the card to Bank of America.

I understand that HARDEE COUNTY may terminate my right to use the card at any time for any reason. I also agree to return the card to HARDEE COUNTY immediately upon request or upon termination of employment.

CARDHOLDER

Signature _____

Date _____

PROGRAM ADMINISTRATOR

I acknowledge that the above Cardholder has been issued HARDEE COUNTY Purchasing Card Number

_____.

Signature _____

Date _____

Hardee County Purchasing
MERCHANT CATEGORY CODE LISTING
#1MOP
MANAGEMENT & OFFICE PERSONNEL
EXCLUDED

Hardee County Purchasing

MERCHANT CATEGORY CODE LISTING

GENERAL EMPLOYEE

#2GE

EXCLUDED

Bank of America Card Services
 Phone 1-800-538-8788
 Fax 1-800-253-5846
 Attn: Commercial Card Services

zed by:
der Signature:

Cardholder Statement of Disputed Item

HARDEE COUNTY Name: HARDEE COUNTY
Cardholder Name: _____
Cardholder Account Number: _____

Statement Date:	Transaction Date:	Merchant Name/Description:
Amount:	Posting Date:	Reference Number:

Check the description most appropriate to your dispute. If you have any questions, contact Bank of America at 1-800-538-8788.

- _____ **1. Alteration of Amount:**
 The amount of the sales draft has been altered from \$ _____ to \$ _____. (Please include copy of sales draft.)
- _____ **2. Unauthorized Mail or Phone Order:**
 I certify the charge listed above was not authorized by me or any person authorized by me to use this account. I have not ordered merchandise by phone or mail, or received goods and services as represented above.
- _____ **3. Cardholder Dispute:**
 I did participate in the above transaction, however, I dispute the entire charge, or a portion, in the amount of \$ _____ because: _____
- _____ **4. Credit Not Received:**
 The merchant has issued me a credit slip for the transaction listed above, however, the credit has not posted to my account. The date on the voucher is between 30 and 90 days old. (Please include a copy of the credit voucher.)
- _____ **5. Imprinting Multiple Slips:**
 The above transaction represents multiple billing to my account. I only authorized one charge from this merchant for \$ _____. I am still in possession of my card.
- _____ **6. Merchandise Not Received:**
 My account has been charged for the above transaction, but I have not received this merchandise. I have contacted the merchant.
- _____ **7. Merchandise Not Received:**
 My account has been charged for the above transaction, but I have since contacted this merchant and canceled the order. I will refuse delivery should the merchandise be sent.
- _____ **8. Merchandise Returned:**
 My account has been charged for the transaction listed above, but the merchandise has been returned. Provide a description of the circumstances. (Please include postal receipt if applicable.)
- _____ **9. Inadequate Description/Unrecognized Charge:**
 I do not recognize this charge; please supply a copy of the sales draft for my review.
- _____ **10. I am no longer disputing this charge.**

Commercial Card
MCC GROUP ADD/CHANGE/DELETE FORM

Check One:	<input type="checkbox"/> Add New Group	<input type="checkbox"/> Change Existing Group	<input type="checkbox"/> Delete Existing Group
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Company Name:	CO#:	
Group Name:	Bank #:	
Description:		
Free Text:		

MERCHANT CATEGORY CODES

Please enter up to 75 Single MCC Codes or up to 35 Ranges or a Combination of Both...

Instructions:	

Completed
By: _____
Approved
By: _____
Date: _____

Cardholder Maintenance Form			
A. General Information		Bank #:	
Company Name:		Company#:	
Cardholders Name:		Account # <i>(sixteen digits)</i> :	
B. Standard Changes			
Name Line 1:		Address Line 1:	
Name Line 2:		Address Line 2:	
		City/State/Zip:	
From:			
To:		Phone Number:	
C. Parameter Changes			
		Cash Advance Capability:	
		% of Credit Limit:	%
		Send Pin #:	
		Group Name:	
Vehicle/Driver Card:			
Product Type Code:			
Embossed Fuel Only Code:			
Product Restriction Code:			

Reorder Convenience Checks:		Rewards:	
<i>D. Replacement Cards</i>			
		Name:	
		Address:	
		City/State/Zip:	
		Phone Number:	
Authorized By:		Date:	