



## **PURCHASE CARD POLICY**

**Adopted 11/13/2019; Amended 10/14/2020**

The Jefferson County Library recognizes that the use of purchase cards (a.k.a. credit cards, bank cards) is a customary and economical business practice to improve cash management, reduce costs, and increase efficiency. The Library Director shall implement and administer the following standards related to the use of purchase cards by Library employees.

Washington [RCW 43.09.2855](#) (as used in this section, purchase card means a card or device issued under an arrangement pursuant to which the issuer gives a cardholder the privilege of obtaining credit from the issuer) and [RCW 42.24.115](#) allow local governments to provide agency credit cards for staff as long as there is a policy and procedure governing their distribution, limits, usage, payments and any other necessary rules to ensure compliance. Jefferson County Library's Director is authorized to adopt any additional rules necessary to implement the provisions of this policy.

The Library Director is authorized to obtain purchase cards under this policy, which provides for the distribution, authorization, control, purchase limits and payment of bills through the use of the purchase cards by Library employees. The Director, or designee, shall implement accounting controls to promote the proper use of purchase cards and reduce the risk of loss or misuse.

Purchase cards may be used by authorized employees for purchasing goods, services, supplies and other items from vendors; incurring registration, and training or travel expenses in connection with the performance of their duties or on behalf of the Library (where such expenses have been included and approved in the budget).

### **Issuance, use, and control of purchase cards**

Purchase cards may be directly issued to those employees who, in the opinion of the Director, have job responsibilities which could be more easily facilitated by the use of a purchase card and the purchase card use would benefit the Library.

**Assigned Purchase Cards:** If an employee's name appears on the face of the card, the employee is responsible for all purchases made with the card and is the only person authorized to use the card. A purchase card should always be kept in a secure location.

Library Purchase Cards: Library purchase cards may be provided to employees for purchases or travel when it is advantageous or necessary for the Library to conduct its business and the employee does not have an assigned purchase card. These cards may be checked out from Administrative Services a few days prior to need. While the card is in an employee's possession, they are responsible for all purchases made with the card and are the only person authorized to use the card.

Before being issued a purchase card, each employee will be required to sign a ***Purchase Card User Agreement*** (Attachment A) acknowledging that they have read and understand this policy, and that they understand violation of the policy will subject them to disciplinary action.

**All Library purchase card users must follow these general guidelines:**

- Purchase only goods and services required to perform job-related tasks
- Keep expenditures within the purchase card's limits
- Not use the card to purchase items on the exception list
- When possible, obtain pricing and in-stock availability prior to purchase
- Ensure that the vendor immediately authorizes the purchase
- Obtain a detailed copy of the receipt showing the last four digits of the card number
- Retain all receipts, packing lists, emails and other substantiating documentation related to the purchase

**All purchase card receipts and other documents identifying purchase card expenditures in detail must be delivered to Administrative Services within thirty (30) days of the transaction or from the time of return from travel, or by the end of the monthly billing cycle, whichever comes first.**

Employees involved in any aspect of purchasing are acting as agents of the Library and have a responsibility to act in the best interest of the organization, which includes not personally favoring a specific vendor at the expense of the Library.

**Authorization and Control**

The Director or Administrative Services Manager shall create and maintain accounts with the credit issuer or purchase card company. The Administrative Services Manager shall maintain a ledger of individuals and departments using purchase cards, including the date the card was received, and act as a liaison between the purchase card company and the individual cardholders.

Purchase card limits shall be set administratively for each card, depending on expected purchases during a typical billing cycle. The Director may approve additional purchase capacity as needed on a temporary or on-going basis.

Expenses related to authorized travel (hotel, airfare, ground transportation, registration, fees and meals) may be charged to a Library purchase card provided the purchases are preapproved by the Director, and the employee returns from travel with all receipts in accordance with the Library's travel policies and related procedures.

In some instances, a purchase order may be required for purchases made with a purchase card. If in doubt, check with the Administrative Services Manager for clarification.

The purchaser is responsible for ensuring receipt of the materials or services ordered and resolving any delivery problems, damaged goods issues, or other discrepancies with the vendor.

If an item purchased with a purchase card must to be returned to a vendor, the purchaser should follow the vendor's return policy and ensure that proper credit is posted for any returned item. Failure to provide detailed documentation as required by the policy may result in the purchaser being responsible for the charge.

The Director is authorized to revoke the use of any purchase card issued and immediately require the surrender of a purchase card. Purchase cards must be returned to the Library immediately upon ending employment.

### **Unauthorized Charges**

Any employee using a Library purchase card for unauthorized purchases or for personal use may be subject to disciplinary action and shall be billed by the Library for all such unauthorized charges. Disallowed charges, or charges not properly identified, will be paid by the employee before the purchase card bill is due. If a situation arises where an employee is responsible for charges and the timing of the payment may result in interest and/or late fees, the Director must be informed immediately. Any employee with a demonstrated history of unauthorized charges may be barred from obtaining or using a Library purchase card.

#### **The following purchase card uses are NOT allowed:**

- Charges made without pre-approval of the purchase card user's direct supervisor or Library Director
- Payment for personal items and services
- Cash advances of any kind including money orders/traveler's checks
- Purchase of gift cards or cash cards
- Purchase of alcoholic beverages or other controlled substance

If certain charges are disallowed as a result of an internal audit or violation of current Library policy, such charges must be repaid. Misuse of a Library purchase card may result in disciplinary action up to and including termination and legal action.

**Lost or stolen cards**

Employees will immediately notify the Administrative Services Manager, Director, or supervisor if their purchase card is lost or stolen as it is imperative that the card be frozen to prevent unauthorized use. If the loss is the result of a robbery, the employee must call the police and file a report. Failure to report a lost or stolen card could result in the employee being held responsible for any unauthorized charges.

**Unauthorized charges by a third party**

The Administrative Services Manager is responsible for tracking expenditures on the cards on a monthly basis, and identifying and resolving any fraudulent use, including disputed charges, not detected by the purchase card issuer. Employees may be asked to assist with resolution of unauthorized use.

**Payment of Bills**

Cardholders are required to have all purchase card receipt(s) and other documents identifying the purchase card expenditure(s) in detail, delivered to Administrative Services within thirty (30) days of the transaction(s) or from the time of return from travel; or at least by the end of the monthly billing cycle, whichever comes first.

**Attachment A:**



**PURCHASE CARD USER AGREEMENT**

1. I understand the Jefferson County Library (JCL) Purchase Card is intended to facilitate the purchase of business-related goods and services for the conduct of JCL business and is not for personal use.
2. I understand that my card may be revoked at any time based on change of assignment or location and that use of this card is not an entitlement nor reflective of title or position.
3. I understand that if I am issued a card with my name specifically, I am the only person authorized to use the card and I am responsible for all charges made against the card. I also understand that if I use a Purchase card, I am responsible for all charges that are incurred while I possess the card.
4. I understand that improper use of the card can be considered misappropriation of JCL funds, which may result in disciplinary action, up to and including termination.
5. I understand that I will be required to provide detailed receipts in a timely manner, for reconciling monthly statements and to comply with internal control procedures designed to protect JCL assets, which may include being asked to produce the purchase card to verify its existence and assist during an internal audit review concerning its use.
6. I understand that I am responsible for resolving any discrepancies that may occur by contacting a vendor directly.
7. I will safeguard use of the issued purchase card and use appropriate security whenever I use the card. If my card is lost or stolen, I agree to immediately notify the Administrative Services Manager and/or Library Director.
8. I understand that the purchase card(s) are property of JCL and must be surrendered upon termination of employment or demand of surrender by the Administrative Services Manager and/or Library Director. At that point, no further use of the account will be authorized.
9. I will obtain a Purchase Order prior to using my card when applicable and appropriate.
10. I hereby acknowledge receipt of the purchase card ending in the last 4 digits of \_\_\_\_\_.

As a Cardholder, I agree to comply with the terms and conditions of this Agreement, including the JCL Purchase Card Policy. My signature below acknowledges that I have read, understand, and agree to abide by the Purchase Card User Agreement.

I HAVE READ AND UNDERSTAND THE ABOVE CONDITIONS

Employee Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Supervisor: \_\_\_\_\_