



Town of Prescott Valley Purchasing Card Program Cardholder Manual

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The following **CARDHOLDER MANUAL** identifies the compliance guidelines for the Town of Prescott Valley's **PURCHASING CARD PROGRAM**. Please take time to read and understand your responsibilities as a cardholder prior to using your purchasing card.

Introduction

This program was adopted in an effort to streamline the purchasing and payment process for miscellaneous goods and services the Town of Prescott Valley utilizes.

The program carries municipal liability and, as a cardholder, you will be required to reconcile your individual statement against your transactions and maintained receipts. ***As with all purchasing requirements, expenditure of municipal funds is a responsibility that cannot be taken lightly.*** Once issued a Purchasing Card, employees who previously did not purchase goods and services will now be recognized as buying agents for the town, and as such, are required to maintain integrity, arms-length impartiality, and mutual respect with suppliers and are requested to comply with the purchasing guidelines. If there are any questions regarding responsible business practices, consult with your management. Violations of these practices may result in disciplinary action up to and including termination of employment.

Each cardholder account has built-in purchase transaction restrictions. This is done by blocking Merchant Codes (Standard Industry Classifications assigned to merchants by function) as well as assigning specific credit and transaction limits to each account. If you have problems with declines as a result of these limitations, please notify the Program Administrator so that the restrictions can be reviewed and resolved appropriately.

This is an ongoing program and continued input about the program is important. Suggestions for information that should be added or deleted from this program are welcome. This program can save time, money, and increase efficiency – but only if everyone takes personal ownership in making it happen.



Internal Contacts

PLEASE CONTACT FINANCE FOR PURCHASING CARD PROGRAM ASSISTANCE (928) 759-3128.

Description	Name	Number
<p>PROGRAM ADMINISTRATOR</p> <ul style="list-style-type: none">Accountable for all components of the program, implementation, reporting, card issuance, cardholder files, and account maintenance.	Katie Pehl	(928)759-3003
<p>PROGRAM FACILITATOR</p> <ul style="list-style-type: none">Point of contact for card day to day problems or issues, including: limits, declines, cancellations, lost cards, stolen cards, and new cards.Provides orientation training to all cardholders and provides problem resolution.Conducts routine audits to ensure honest and forthright business conduct and system/operating procedural compliance.	Ashley Teller	(928) 759-3128
<p>ACCOUNTS PAYABLE</p> <ul style="list-style-type: none">Accountable for processing payment to Bank of America.Remits accrued use/sales tax to the appropriate taxing authorities.	Sabrina Robinson	(928) 759-3019

Basic Guidelines

CONDUCT

Employees shall conduct themselves in a manner consistent with the highest professional, ethical and legal standards.

GRATUITIES/RECIPROCITY

Any gratuity offered by a supplier in an attempt to influence a purchasing decision, or which may be perceived as such, shall be politely refused.

CONFIDENTIAL INFORMATION

Employees shall safeguard confidential information revealed by suppliers in the course of doing business. Such information includes prices, proposals, contract terms, sources of supply, and other information, which a supplier may identify as confidential or proprietary. Employees shall not discuss problems, disputes or any other information which may reflect negatively on a supplier with any other person, unless that person is a Town employee who needs the information in order to properly perform their job.

CONFLICT OF INTEREST

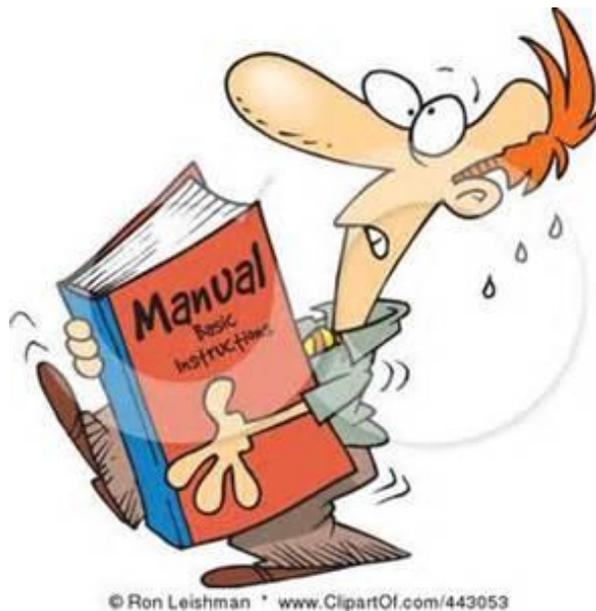
Employees may not participate in any transaction in which they, or a member of their family, have a personal or financial interest, whether direct or indirect. Employees who have a conflict will disclose their interest in accordance with Town policy.



Instructions upon Receiving Your Purchasing Card

1. Sign the back of the card issued in your name and always keep it in a secure place.
2. Obtain your PIN by going to www.BAML.com/PINCheck. The card uses chip and PIN technology which is a better tool in fraud prevention. Do not write the PIN number on the card, but store it in a separate location.
3. Read the Cardholder Manual, Purchasing Policy, and Purchasing Card Program Policy and Procedures which are available for review on the Town Intranet in the Finance - Purchasing section along with the other forms you may need for using your card.
4. Review and sign the "[Cardholder Acceptance Agreement](#)" (see Attachment A). Once completed, return the document to the Program Administrator.
5. Use your welcome email to sign up on the Bank of America Works website at <https://payment2.works.com/works/home>. This will allow you to monitor your expenditures.

Once you have done the above, you are ready to begin using your card. If you have any questions about the program, contact the Program Administrator.



Cardholder Information

How do I use the card?	With the exception of certain limitations, your Purchasing Card functions just like your personal credit card. When you present the card to a supplier, they will usually request authorization through the credit card network. If the purchase falls within the card's pre-established limits, you will receive the goods and be asked to sign for the purchases. At this time, you should get a detailed receipt identifying the items purchased and the amount of tax that was paid.
What limitations are placed on the card?	Standard Card limitations can vary by cardholder. Generally they are: <ol style="list-style-type: none">1. \$ 1,000 maximum per single transaction2. \$200 - \$10,000 maximum card limit per month/cycle The card is not to be used to purchase or pay for: inventory materials, capital, per diem meals, alcoholic beverages, tobacco products, independent contractors, gifts for vendors or customers, cash advances, money orders, traveler's checks, cashier's checks, payroll expenses, donations, leases, utilities, single purchases that are split into multiple transactions in order to bypass the allowable single transaction limit, or personal use items. If any of these items are purchased with the card, an " Abuse Notification Form " will be initiated by Finance (see Attachment C). Violations may result in suspension of card privileges and/or disciplinary action as deemed by the Town Manager.
Can I lend the card to another employee?	No. The card is not to be used by anyone other than the cardholder. If the card is loaned to another employee, an " Abuse Notification Form " will be initiated by Finance (see Attachment C). Violations of this regulation may result in suspension of card privileges and/or disciplinary action. If another employee has a legitimate need for their own purchasing card, the Department Director should contact the Program Administrator with the request.
Restrictions on vendors – How do I know?	Before you make a purchase using your PURCHASING CARD, ask yourself whether the material or service is an appropriate purchase for Town business. If the answer is "Yes," it is likely that the vendor is not restricted. If the vendor is restricted, your purchase transactions will be declined at the point of sale. When the vendor attempts to validate the transaction, it may be declined due to: a) the vendor being restricted, b) the transaction or monthly spending limit set for your card has been exceeded, or c) a malfunction of the authorization system has occurred (this happens very infrequently).

What if I am declined authorization?	If a unique situation brings you over one of the cards limitations, or you believe the transaction is within the scope of the program, contact your Program Administrator immediately to resolve the issue.
Do I pay tax?	The Town is required by law to pay tax on the purchase of all taxable goods. The tax is determined by where the purchase is shipped or used. Purchases of items from your in-state suppliers should have taxes paid at the point of sale. Out-of-State purchases may be subject to use tax which will be determined by Accounts Payable.
What do I do with the Receipts?	<p>SAVE THEM!!! They are VERY important. You, or your Administrative Assistant, will not be able to reconcile your monthly statement without them.</p> <p>Once the statement has been reconciled, the receipts are to be sent to Accounts Payable.</p>
What if I've lost a receipt?	<p>A detailed receipt is VERY important as it serves as proof of what was purchased and whether or not tax was paid. The receipt is also important to ensure compliance with local, state, and federal tax laws.</p> <p>If a receipt is lost or inadvertently misplaced, try to get a copy from your supplier. For mail, phone, fax or Internet purchases in which a receipt may not be available, use a copy of the completed application, flier or order form as the receipt.</p> <p>For any purchase in which a detailed receipt is not available, complete a "Statement of Missing Documentation" (see Attachment B). On this form the cardholder provides a written explanation describing each item or service purchased. The cardholder and the cardholder's supervisor must review and sign the form. Repeat occurrences of misplaced receipts and/or non-itemized receipts may result in suspension of card privileges and/or disciplinary action.</p>
Will my purchases be checked?	<p>Yes. Each month after your Administrative Assistant reconciles your monthly statement and signs off on your expense report; your Department Director will then review and sign off on the expense report. Once complete, all receipts will be sent to Finance as backup for the transactions.</p> <p>In addition to the process listed above, there will be random audits performed to verify compliance. That is why it is VERY IMPORTANT for you to maintain all appropriate documentation.</p>

What if I have a dispute or unauthorized or incorrect charge?	<p>If you have a problem with a billing, try to reach a resolution with the merchant. The merchant should issue credit for a billing correction. The credit may not appear until the next monthly statement. Do not delay processing of your monthly electronic statement because of incorrect billings or dispute items - note the purchase as a disputed item on the monthly electronic statement.</p> <p>If an agreement cannot be reached with the merchant, the next step is to contact the Program Administrator for completion of the necessary paperwork to dispute the charge. The Town has 60 days to resolve a dispute.</p>
What if my card is lost or stolen?	<p>If the card is lost or stolen, immediately call Bank of America's 24-hour telephone number at 1-800-300-3084 and report the loss or theft of the card. Keep a written record of this call, which includes the date, time and name of the person contacted at the bank. Notify your supervisor and call the Program Administrator as soon as possible. <i>NOTE: Always keep the purchasing card, transaction receipts and monthly log in a secure location.</i></p> <p>The cardholder's department will be liable for charges made with a stolen card. The liability on a stolen card is in effect until the bank has been notified and an investigation completed.</p>
What if I have additional questions?	<p>As other questions arise, contact the Program Administrator for assistance.</p>



Attachment A



Town of Prescott Valley Purchasing Card Cardholder Acceptance Agreement

The Town of Prescott Valley Purchasing Card Program (Program) is an efficient purchasing tool requiring great financial responsibility. Although the card is issued in your name, it is Town property and should be used with good judgment. The Purchasing Card may be revoked at any time based on change of assignment; or location; or violation of the Program requirements. Your signature below verifies that you have read and understood the Purchasing Card Program Cardholder Manual, the Town Procurement Code, and the related policies and have agreed to comply with them.

1. The card is for business-related purchases only. All purchases made on the card are subject to the Town's Procurement Code and the card's attached limits; splitting a payment to circumvent the attached limits is not allowed. Personal charges are not to be made to the card.
2. The card cannot be loaned to anyone. **Only** the person to whom it is issued is entitled to use the card and is responsible for all charges made against the card.
3. Follow proper card security measures, such as keeping the card stored in a safe location when not being used. Safeguard the card number, PIN number, and expiration date.
4. Retain itemized receipts and proper documentation. A "*Statement of Missing Documentation*" form must be submitted in the unusual circumstance of no receipt or a non-itemized receipt. Failure to keep receipts or to complete the form could result in suspension of card privileges.
5. The cardholder must initiate the follow up on disputed purchases or incorrect orders.
6. Per Diem expenses are not to be charged to the card. Prior to travel, a travel request is to be completed and per diem will be issued via check.
7. The cardholder (or departmental coordinator) must reconcile Purchasing Card statements monthly in accordance with the established timeline. All receipts are then to be given to Finance.
8. A lost or stolen card must be reported immediately by telephone to **Bank of America at 1-888-449-2273** (available 24 hours a day 7 days a week). A report of the lost or stolen card must also be made to the Town Program Administrator by the beginning of the next business day. The Program Administrator will process the replacement card request.
9. The card must be surrendered upon termination of employment (i.e. retirement or voluntary/involuntary termination). No further use of the card is authorized after this point.
10. Any improper use of the card may be considered misappropriation of Town funds, which could result in disciplinary action, up to and including termination. All violations will be documented on the "*Abuse Notification Form*" and may result in suspension of the card for a designated period of time or permanent surrender of the card at the discretion of the Program Administrator.

Cardholder Signature

Department/Division Name

Cardholder Printed Name

Last 4 Digits of Card Number

Date

Attachment B



Town of Prescott Valley Purchasing Card Statement of Missing Documentation

I, _____, acknowledge that I am unable to submit acceptable documentation, despite the fact that I previously acknowledged the documentation requirements when the card was issued to me, for the purchasing card transaction below:

Merchant Name: _____

Date of Transaction: _____

Amount Charged: _____

Detailed explanation of the transaction:

I certify that the above referenced transaction was a proper use of my Town of Prescott Valley Purchasing Card and was consistent with all applicable Town and departmental guidelines. I will take action in the future to ensure receipts are available.

Cardholder Signature

Date

Director/Supervisor Signature

Date

All signatures are required.

Any future undocumented transactions could result in suspension of card privileges and disciplinary action.

Attachment C



Town of Prescott Valley Purchasing Card Abuse Notification Form

I, _____, acknowledge that I violated the Cardholder Acceptance Agreement, despite the fact that I previously acknowledged the restrictions when the card was issued to me, for the purchasing card transaction below:

Merchant Name: _____

Date of Transaction: _____

Amount Charged: _____

Detailed explanation of the transaction:

Violation Type:

- Personal Use
- Per Diem
- Purchasing Policy Violation
- Lending of P-Card
- Other: _____

Previous Violation Dates	
First Warning:	_____
Second Warning:	_____
Third Warning:	_____

Cardholder Signature

Date

Director/Supervisor Signature

Date

All signatures are required.

Any future violations could result in suspension of card privileges and disciplinary action.