



# Procurement Card Program Procedures

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## I. OVERVIEW OF PROGRAM

The purpose of the Marion County Procurement Card (PCard) Program is to establish a cost-effective method of purchasing and paying for small dollar transactions, as defined in the Marion County Public Contracting Rules, Section 20-0265 Small Procurements, within established usage limits. The program is designed for the purchase of low dollar, generally costing less than \$5,000 per project total cost. The county's PCard vendor is Bank of America and the product is MasterCard. Bank of America uses web-based software called Works to electronically track all PCard transactions.

The following laws, regulations and county policy prescribe the criteria applicable to PCard use:

- Marion County Policy 909 and Procedure 909A Marion County Procurement Card Program Procedures
- Marion County Policy Policy 901 and Procedure 901A Marion County Public Contracting Rules
- 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- Marion County Approved Payment Methods

Marion County Administrative Policy and Procedure No. 909 and No. 909.A, establishes a sound and responsive procurement card program based on public contracting code for the purchase of small dollar items required to conduct the county's business.

- The PCard is **NOT** intended and shall not be used:
  - To avoid or bypass established purchasing or payment procedures, but compliments the existing processes available.
  - For personal use.
- This manual outlines the guidelines to obtain and use a PCard. Please read it carefully. The Accountholder's signature on the PCard Accountholder Agreement Form, [Exhibit A](#) indicates that the Accountholder understands the intent of the program and agrees to adhere to the guidelines established for this program. The approver's signature on the PCard Approver Agreement Form, [Exhibit A](#), indicates that the approver understands the intent of the program and agrees to adhere to the guidelines established for this program.
- The PCard is embossed with the county's logo and 'Marion County.' Two types of PCards are available under this program. An individual PCard is issued in the name of a specific county employee for that employee's exclusive use for making purchases. A department PCard is issued in the name of the department and in Works is assigned to a department custodian, who is responsible for all on-line tracking of transactions made using this PCard. The department PCard may be checked out by any authorized department employee for occasional use for purchases allowed under the PCard program.
- Record keeping is essential to ensure the success of the program. As with any credit card, the Accountholder must justify the purchase was business related and document how the purchase will further the county's business, retain detailed sales slips, original cash register receipts, invoice order forms and receiving reports for the Accountholder's

protection. Receipts that do not itemize goods or services purchased are considered inadequate documentation. The department manager must review and approve all transactions and supporting documentation to verify purchases are county business related and to ensure compliance with county policy and procedures.

- **Impact on Accountholder's Personal Credit Rating:** The Bank of America PCard is a corporate liability card, not a personal liability card. The issuance of an individual card will have no impact on personal credit history. Only the county's credit rating will be affected by use of this product.

## **II. DEFINITION OF ROLES & RESPONSIBILITIES**

Below is a description of roles and responsibilities in the PCard process. Depending upon individual department circumstances and procedures, a minimum of two people must fulfill the roles listed below. The elected/appointed department head (or designee) must authorize the employees to serve in the departmental PCard roles listed below.

### **A. Finance Roles & Responsibility**

Finance has been delegated the authority to administer the county's PCard program, including developing, implementing, training, troubleshooting and ensuring compliance with Marion County Policies and Procedures. Two roles have been established within Finance:

1. PCard Administrator has the primary responsibility for overseeing and administering the county's PCard program.
2. PCard Coordinator has the primary responsibility for coordinating the daily card activity and interaction with departments.

### **B. Department Roles & Responsibility**

1. The Accountholder makes authorized purchases in accordance with Marion County Policies and Procedures, a legitimate county need, and within his or her job responsibilities. For each transaction using Works: immediately review, reconcile to receipts, and enter costing and description information. At each billing cycle month-end, the Accountholder will: resolve issues, produce Marion County Billing Statement from Works, match and attach receipts, and perform a final review of all billing cycle transactions. Responsible for the security of their assigned PCard. See section V for Accountholder's daily and month-end activities.
2. The Approver will review and approve all PCard transactions of each assigned Accountholder in the Approver's group using Works. At each billing cycle month-end, the Approver will resolve issues and review all Marion County Billing Statements and receipts for each assigned Accountholder in the Approver's group. The Approver ensures compliance with Marion County Policies & Procedures. See section V for Approver's daily and month-end activities.
3. The Accountant will review and close or sweep all transactions in the department using Works after approval by Approver. At billing cycle month-end, the Accountant will resolve issues, review all Marion County Billing Statements and receipts, and ensure all department transactions

in Web Apps are linked to the LaserFiche scanned images. The Accountant will also ensure compliance with Marion County Policies & Procedures. See section V for Accountant's daily and month-end activities.

4. The Department Clerical staff is responsible for scanning Marion County Billing Statements and receipts into the LaserFiche system. See section V for Department Clerical's daily and month-end activities.

5. The Department Card Custodian, which has the same definition and responsibilities as an Accountholder, is responsible for security and check-out/in of department PCard, reconciliation of transactions in Works and entering costing and description information. At each billing cycle month-end the Department Custodian will resolve issues, produce Marion County Billing Statement (Multiple PCards) from Works, match and attach receipts, and perform a final review of all billing cycle transactions for department PCard. See section V for Accountholder's daily and month-end activities.

6. A Proxy is a designated department PCard program member that has the ability to perform the responsibilities of an Accountholder. See section V for Accountholder's daily and month-end activities.

7. The Accountant runs reports in Works for department transactions for budget purposes or as requested by department head or department manager.

Finance will monitor the number of Accountholders, Approvers and Accountants for each department to ensure the span of control is reasonable amongst the roles and responsibilities.

### **III. ASSIGNMENT AND CONTROL OF PROCUREMENT CARDS**

#### **A. Requesting & Issuing Individual PCards**

The completed Individual or department PCard Application Form, ([Exhibit B](#)) shall be authorized by the department head (or designee) and submitted to the PCard Administrator. For Individual PCard Applications, the form needs to indicate if the authorized application is documentation evidencing the purchasing authority for the Accountholder and the Accountholder is not required to get pre-approval on purchases to be made with the PCard. Based on the information provided in the application, the PCard Administrator may approve the request and if approved the application for a PCard will be submitted to Bank of America. The bank will process the request and deliver the PCard within five to ten working days to the PCard Administrator.

Upon receipt of the new PCard, the PCard Administrator or Coordinator will verify receipt of the card and ensure appropriate card setups are in place in Works and Oracle. (See [Works](#) On-line Reference guides for complete details.)

The PCard Administrator or Coordinator will schedule appropriate training for use of the card, review of policies and procedures, and access to Works with the Accountholder and issue the PCard upon completion of the training. All Accountholders will sign a Marion County Procurement Card Agreement Form, [Exhibit A](#). Upon PCard expiration and reissue,

Accountholders will be required to complete the required training module for use of the PCard every two (2) years.

Upon receipt of a PCard, the PCard Administrator or Coordinator will activate the card or the Accountholder may call the 800 number listed to activate. Instructions on activating the PCard will be provided during the Accountholder training. Once the card has been activated, the Accountholder will be able to begin using the PCard. The Accountholder is responsible for the online PIN registration, or with a department card, the Custodian or PCard Administrator or Coordinator may complete the online PIN registration. Specific Chip and PIN activation instructions will be provided at the time of card issuance to each Accountholder.

The PCard Administrator or Coordinator will schedule appropriate training for the roles of Approver and Accountant. Anyone assigned this responsibility in the PCard program will sign a Marion County Procurement Card Approver and Accountant Agreement Form, [Exhibit A](#). Every two (2) years, Approvers and Accountants will be required to complete the required online training module for the roles within the PCard program.

## **B. Use and Monitoring Of Department PCard**

In addition to individual PCards, the department may request a department PCard for making purchases for the department. A department PCard will:

- Be issued to one individual who will serve in the department custodian role.
- Be embossed with the department name, plus a number (i.e. Finance 1).
- Be set up with standard limits only. Any exception must be requested in writing and approved by the Chief Financial Officer or designee.
- Have an internet block. No transactions may be made over the phone or the internet with a department PCard. It is to be used for presentment only; vendor may request a letter of authorization from the department.
- Be in suspended profile if not used in the previous six (6) months by the department. Finance can activate the department PCard upon request of department PCard custodian. However, if this PCard has been designated as an emergency protocol the six (6) month activity may be waived.

### **1. Department PCard Custodian**

The department custodian is responsible for the security and safety of all department PCards issued to department when not checked out. Temporary PCard user must obtain supervisor signature prior to checking out the Department PCard. Department Heads do not need approval to check out a Department PCard. Department custodian will:

- Check out/in PCard for individual use.
- Obtain signature from Temporary PCard user at check out on the Department PCard Checkout Log (Exhibit E-1).
- Obtain Temporary PCard user's documentation showing permission from supervisor to check out the Department PCard. Review Temporary PCard User rules and regulations brochure with temporary user upon checkout of the department PCard.

- Collect completed and approved PCard Transaction Log Department Cards (Exhibit E-2), receipts and PCard from temporary user and check in department PCard. Compare initial supervisor approved documentation to receipts.
- Review, reconcile and sign-off on all department PCard transactions in Works.

## **2. Department PCard User**

The department PCard user will follow all the rules and regulations established when checking out a department PCard. The department PCard user's signature on the department PCard log represents that they were instructed and/or understand the rules and regulations regarding the use of a department PCard, and will provide the necessary receipts and documentation when checking the department PCard back in to their department custodian.

### **C. Standard Expenditure Limits**

Bank of America PCard is a special type of charge card. For all Accountholders, limitations have been hard-coded into the PCard to control its use in the following ways:

- Number of times an Accountholder can use the PCard per day (unlimited)
- Number of times an Accountholder can use the PCard per month (unlimited)
- Maximum dollar amount per transaction (total cost) (\$1,000)
- Total spending limit per month per PCard (\$5,000)

The above limits have been identified as standard limits for PCard transactions. These limits may be adjusted temporarily or on a permanent basis upon submission of a written justification approved by the department head (or designee) and Chief Financial Officer or designee.

If the maximum dollar amount of a transaction exceeds the current county no quote limit of < \$5,000, the Accountholder will also provide documentation supporting the solicitation used for the purchase. An appropriate solicitation will be required when the department has spent more than \$5,000 during any one fiscal year period with any one vendor using a PCard. See Marion County Public Contracting Rules Section 20-0270 Intermediate Procurements.

### **D. Allowable and Prohibited Uses for PCards**

#### **1. Allowable Uses for PCards**

The program is designed for the purchase of goods as indicated on the Marion County Approved Payment Methods.

The PCard may be used at any qualified merchant that accepts MasterCard and at any merchant who is included on the approved Merchant Commodity Code list.

The individual PCard may be used to make purchases of goods over the phone or the internet for county related business only. Adequate supporting documentation must be retained for each purchase.

The PCard may be used for travel related expenditures in line with Marion County Administrative Policies & Procedures:

- 902 (C-2) Membership, Dues, Subscriptions, Conferences;
- 908 (C-11) Reimbursement of Miscellaneous Travel Expenses;
- 502 (H-1) Use of Personal Vehicles
- The Travel Allowances articles of all Marion County Bargaining Agreements including, but not limited to MCEA, ONA, MCLEA, FOPPA, MCEA, or personnel rules.

Any conference, training, or travel related expenditures must be pre-approved by the department head (or designee) prior to the expenditure. Pre-approval documents must be included as supporting documentation with PCard receipts.

Any food or beverage purchases for county related business meetings that are non-travel related require supporting documentation indicating date, time, location, agenda, list of attendees, and business purpose.

Any Gift Card purchases require supporting documentation showing the Card #, recipient name, recipient signature and date recipient received. Gift Cards for employees are taxable.

Property purchases with a cost of less than \$5,000 shall be managed by the department. For purchases greater than \$5,000 follow the county's Fixed Asset Control 402 (C-8).

Fuel purchases for personal vehicles should be following Policy 908. Reimbursement of Miscellaneous Travel Expenses of PCards for fuel purchases is prohibited.

## **2. Unauthorized Uses**

Refer to the Marion County Approved Payment Methods, located on the Contracts Management and Purchasing webpage for specific allowable PCard uses. Any use that is not specifically identified as allowable is considered unauthorized. All personal use of a PCard is considered non-authorized.

## **3. Merchant Category Codes (MCC)**

All vendors have registered with MasterCard under established merchant category codes. The PCard program has the ability to control PCard purchases with vendors by assignment of specific MCC codes. Some vendors have been blocked from usage in this program. If the Accountholder presents the PCard to any of these blocked vendors, the transaction will be declined. If the PCard is declined and the Accountholder believes it should not have been, the Accountholder may contact the PCard Coordinator for resolution. A list of the county's Merchant Category Codes is available by contacting the PCard Administrator or Coordinator, who can assist in determining whether an MCC code for a specific vendor may be blocked from usage.

## **E. Individual PCard Authorizations**



All PCard purchases made by a county employee issued an individual PCard will be reviewed and verified by the Accountholder in Works and with supporting paperwork. All Accountholder transactions will be approved electronically in Works, along with a manual review of receipts, by an authorized approver and accountant for compliance with county policy and procedures. Finance will assist smaller departments in fulfilling various roles to ensure appropriate internal controls are in place.

All PCard purchases made by an elected or appointed department head issued an individual PCard will be approved electronically in Works by the Chief Administrative Officer and include a manual review of paperwork by the PCard Administrator for compliance with county policy and procedures.

#### **F. Transfer or Termination of Accountholder**

When an Accountholder transfers from one department to another, the department must immediately notify Finance of the transfer. The PCard must be returned to Finance and will be canceled. The department must take steps to ensure that all outstanding transactions charged to the transferring employee's PCard are reviewed and approved in Works and all paperwork has been completed and will be ready to submit during the next billing cycle month-end process. It will be up to the new department head to determine whether the new employee's position requires a PCard for making purchases for their department. A new PCard will only be issued upon receipt of an Individual PCard Application Form authorized by the employee's new department head.

When an Accountholder leaves his or her position and terminates employment with the county, the department must immediately notify Finance of the termination. The PCard must be turned into Finance for cancellation. The Accountholder can do this directly with the PCard Administrator/Coordinator or turn the PCard into the Approver to return to Finance. The Accountant must take steps to ensure that all outstanding transactions charged to the terminated employee's PCard are reviewed and approved in Works and all paperwork has been completed and will be ready to submit during the next billing cycle month-end process.

Once Finance has received notification of a transfer or termination of a PCard user, the PCard will be immediately canceled with the bank. The Accountholder's PCard will be put into a 'suspended' profile in Works until all outstanding transactions are reviewed, approved, audited and paid. At that point, the terminated user will be removed from the Works department hierarchy.

### **IV. PROCEDURES FOR MAKING PURCHASES**

#### **A. General Information for Accountholders**

The Accountholder is responsible for ensuring that all required steps are completed when making a purchase. All PCard purchases must be for legitimate County needs.

##### **1. Know the Vendor**

The Accountholder must determine if the total purchase price of the item, **including freight, shipping and handling**, is less than \$1,000 [or the maximum single transaction limit if above the standard limit]. If the answer is:

**NO:** If the purchase exceeds the maximum single transaction limit, then the Accountholder must process the transaction via a purchase order or contact the PCard Administrator for permission to increase the PCard limit for a one time purchase.

**YES:** If the purchase is within the single transaction limit, the Accountholder may make the purchase with the PCard. Some departments have internal controls in place that may require a pre-authorization of any purchase or purchases exceeding a certain identified threshold prior to the expenditure. If a department has a pre-approval requirement in place, then the Accountholder must obtain the appropriate approval for the purchase **PRIOR** to making the purchase. If approval is required, the authorization form should be included as supporting documentation with the monthly statement and receipts.

## **2. PCard Receipts & Cash Register or Sales Receipts**

For each transaction the Accountholder charges to the PCard, the Accountholder will need to keep both the original credit card receipt and a detailed itemized cash register or handwritten sales receipt.

It is the Accountholder's responsibility to keep all transaction receipts, charge slips or any other information related to the purchase **to match with the monthly billing cycle statement.**

## **3. Internet Purchases**

For department PCards, no transactions may be made over the phone or the internet. For individual PCards, documentation of internet orders may include screen prints of the on-line order form, order confirmation page or email regarding the order. At a minimum, the paperwork should include the vendor's name, address, contact information, order description, unit and total pricing and shipping information. Internet orders must be shipped directly to the County. When using the PCard to place an order over the phone, then the Accountholder needs to ensure that the receiving/packing slip and invoice contain enough information to verify the purchase details and justify as an expense to further the business of the county by signing the receipt.

- **Shipped Orders.** The Accountholder will have the vendor ship the goods according to terms. The Accountholder will give the vendor the Accountholder's name, department name, telephone number and street address, with zip code. This information must be included on the shipping label. Orders must be shipped directly to the County. The Accountholder must inform the vendor that Marion County is exempt from sales taxes, excise taxes and use taxes.

The Accountholder will request that the vendor enclose a copy of the credit card receipt and a copy of the sales slip confirming the price with each shipment. The Accountholder needs to ensure that the receiving/packing slip and invoice contain enough information to

verify the purchase details and justify as an expense to further the business of the county by signing the receipt.

#### **4. Onsite Purchasing**

When orders must be picked up at the vendor's place of business, the Accountholder must make sure to present the PCard, sign the charge slip and obtain a copy of the charge slip and the detailed cash register or handwritten receipt at the time of pick up.

If the Accountholder needs to place an order, but have someone else pick up the order, the Accountholder must check with the selected vendor to see if it can accommodate the request. The vendor must be willing to process the credit card transaction over the telephone without an Accountholder signature and allow another individual to pick up the order and the appropriate paperwork (credit card receipt and sales slip). The Accountholder must verify with the vendor what identification would be needed for someone other than the Accountholder to pick up a telephone PCard order.

#### **5. PCard Exceptions**

Finance may grant an exception to the \$5,000 purchase limit on PCards such requests must be directed to the Contracts and Purchasing Manager or CFO. The CAO shall authorize purchases greater than \$50,000.

#### **5. Missing Documentation**

Credit card charge slips and a detailed sales receipt must be attached to your monthly billing statement to support each purchase made on the PCard for month-end reconciliation. If the Accountholder is missing a receipt or a detailed receipt, a Missing Receipt Form, [Exhibit C](#), shall be completed documenting the purchase and approved by the Approver. This form and any supporting documentation must be attached to the Accountholder's monthly statement and receipt batch. If the purchase exceeds \$25.00, this form and any supporting documents must be emailed to Finance at email: [PO\\_Contracts@co.marion.or.us](mailto:PO_Contracts@co.marion.or.us) as soon as Approver sign-off is completed and then attached to the Accountholder's monthly statement and receipt batch.

A continued pattern of missing documentation may be cause for revocation of PCard privileges. Refer to section VIII for more information.

#### **6. Mistaken Use**

Personal use of PCard is prohibited by Marion County. Upon discovery of mistaken personal use of a PCard, the Accountholder must notify the Approver immediately. The second notification will be to the PCard Administrator or Coordinator to communicate the incident. The Accountholder shall work with the vendor to get the charges reversed from the PCard to the Accountholder's personal credit card. If the vendor cannot accommodate the request to reverse the charge and credit the PCard account, then documentation and reimbursement by the Accountholder via personal check or money order will be required. All incidents of mistaken personal use, whether or not credit is issued on Accountholder's account, will be documented by completing Exhibit D PCard Mistaken Use Form. Completion of this form requires

documentation of the event, including an explanation of the circumstances related to the mistaken use of the PCard, any receipts, cash register slips, or other paperwork to support the purchase and Approver approval. The department shall deposit the reimbursement funds into the same account as the expenditure is charged in Works to offset the expense. This Mistaken Use Form must be emailed to Finance: [PO\\_Contracts@co.marion.or.us](mailto:PO_Contracts@co.marion.or.us) as soon as possible after discovery and include a copy of the check/money order and deposit slip as supporting documentation of the reimbursement to the county by the Accountholder. A copy of the Mistaken Use Form explanation and receipts will be included with the next monthly billing cycle statement as supporting documentation.

A continued pattern of mistaken use may be cause for revocation of PCard privileges. Refer to section VIII for more information.

## **7. Lack of Use**

If the Accountholder's PCard is unused for periods greater than 180 days or otherwise not used on a regular basis, Accountholder and/or Department may be asked to provide additional documentation as to the reasons for keeping the individually issued card. If reasons cannot be established, Finance may discontinue the card for lack of use/need.

## **B. Security**

The Accountholder must keep the individual PCard in a secure location and safeguard the PCard account number, related PIN and three-digit security code.

- **The Accountholder shall be the only one using the individual PCard. It shall be accessible ONLY to the Accountholder.**
- **The Accountholder MUST NOT post the PCard number, PIN or three-digit security code at his or her desk, or any other place easily accessible to others.**
- **The Accountholder MUST NOT e-mail the PCard account number, PIN or three-digit security code.**
- **The Accountholder MUST NOT SHARE THE USE OF HIS OR HER PCARD OR PIN WITH ANYONE!**

The **only** person entitled to use the PCard is the person whose name is imprinted on the face of the PCard. If the Accountholder is going to be absent for an extended period of time, the department may request that a new PCard be issued to a different person.

## **V. PRE-PAYMENT REVIEW AND AUDIT OF ALL TRANSACTIONS - DAILY & MONTHLY**

### **A. Department Responsibilities:**

#### **1. Accountholder or Proxy**

##### **Daily**

- Follow all Marion County policies and procedures regarding PCard use
- Keep all receipts for all purchases

- Review transactions requiring sign off in Works
- Compare receipts to transactions posted in Works
- In Works for each transaction:
  - Enter costing (fund/service/account/ and/or task/projects)
  - Enter description (details of purchase) under the General tab in Comments section. Locate the Vendor's name followed by "- Purchase" or "- Credit". Entering description here will transfer purchase detail to Oracle general ledger detail reports. This field is limited in characters. Enter sufficient information to identify the transaction purpose for review of general ledger reports.
  - Enter description (copy and paste from above step) in the Allocation tab in Description
  - See Works online Training and help Documentation Guide for completing these steps.
- Resolve any issues pertaining to the transaction
- Sign off on resolved transaction(s), which sends it to the Approver queue

### **Monthly (19<sup>th</sup> to the 22<sup>nd</sup>)**

- Beginning the 19<sup>th</sup> of every month, print a Marion County Billing Statement from Works
- Resolve any outstanding transactions
- Match and attach receipts to Marion County Billing Statement, review accuracy and completeness of transaction documentation.
- Perform final review of all transactions
- Forward (signed) Marion County Billing Statement with attached receipts to Approver within 3-4 days after billing cycle ends

## **2. Approver**

### **Daily**

- Ensure Accountholders adhere to Marion County policies and procedures regarding PCard use
- Review transactions requiring sign off in Works
- Edit/change and/or add comments as necessary
- Flag transactions if there are issues or questions (allows Accountholder to update)
- Sign off on resolved transaction(s), which sends it to the department Accountant queue

### **Monthly (23<sup>rd</sup> to the 26<sup>th</sup>)**

- Resolve and/or approve any outstanding transactions requiring review
- Collect and review (Accountholder signed) Marion County Billing Statements from all assigned Accountholders, review accuracy and completeness of transaction documentation. Review and evaluate for legitimate county need, and signed receipts indicating items were received and accepted. Provide notations (tick marks) indicating all transactions on the statement were individually reviewed. For department PCards, ensure authority approval date is before department PCard checkout and purchase date. Check that the PCard was returned immediately following the purchase (same day).
- Sign off on Marion County Billing Statements and forward to department accountant for final review within 3-4 days after receipt from Accountholder
- Review reports from Works for transaction information (see Accountant monthly responsibilities for the list of reports).

### **3. Accountant**

#### **Daily**

- Review transactions requiring sign off in Works
- Flag transactions for return to Accountholder or Approver for additional information or questions

#### **Monthly (26<sup>th</sup> to the end of the month)**

- Ensure Accountholders adhere to Marion County policies and procedures regarding PCard use
- Ensure Accountholder and Approvers have signed off all transactions in Works
- Receive each Accountholder statements/receipts and review transactions for compliance (follow Exhibit I Monthly Audit Checklist)
  - Review GL Allocations and verify that purchase details have been included on both the general and allocation tabs.
- Sign off Works transactions and the Billing Statement as Accountant
- Run and print reports from Works for transaction information. Cross check for accuracy and determine if other departments charged purchases to your cost center (i.e., IT purchased item for department on PCard)
  - Under Category Spend, Template: Company GL Memo Statement – Review service codes and account number for budgeting.
  - Dashboard Reports, under Spend:
    - Spend by Supplier/Vendor - Export to Excel and total expenses. Confirm total balances to Company GL Memo Statement
    - Spend by Supplier/Vendor, year to date - Export to Excel, confirm total balances to YTD Company GL Memo Statements
    - Spend by Department - Export to Excel, review total expenses paid to vendor
  - Under Category Account, Template: Card Declines Report
    - Export to Excel, review for declined transactions.
- Web Apps can be used to query/run reports for audit of paid transactions from previous billing cycles – will load transactions for past 3 billing cycles (Jan. – Mar.)
- Oracle AP invoice distribution lines will link back to the Web Apps for those image and transactional details loaded into Web Apps
- To view images for transactions prior to cut-over date to Web Apps, click on imaging at header level of AP invoice; not at distribution level

### **4. Accountant or Department Clerical**

#### **Monthly (1<sup>st</sup> to the 9<sup>th</sup>)**

- After notification, scan receipts and associate image numbers to transactions in LaserFiche system
  - Scanning may be done as Accountholder batches
- Scanned images should be associated to transactions in Web Apps by the 10th of the month

### **B. Finance and Chief Administrative Officer Responsibilities**

## **1. PCard Administrator/Coordinator**

### **Daily**

- Assist Accountholder, Approver, Accountant during their review of transactions
- Monitor transactions for reasonableness.

### **Monthly (19<sup>th</sup> to the 1<sup>st</sup>)**

- Ensure Accountholders adhere to Marion County policies and procedures regarding PCard use
- Verify all transactions have been signed off by Accountholder, manager, and accountant
- Investigate, document and perform appropriate follow-up on PCard mistaken use and missing receipt.
- Run, Review, Store reports (statements, PCard declines, single transaction limit audit)

## **2. Chief Administrative Officer Responsibilities**

### **Daily**

- Review and approve daily transactions in Works for department head Accountholders

## **C. Monthly Audit Responsibilities**

PCard audit procedures must be completed by the Accountant each month; however, Accountholders and Approvers need to follow the procedures outlined in Exhibit J when reviewing and approving transactions. Accountants will follow the procedures outlined in Exhibit I when auditing monthly department and individual PCards billing statement and documentation.

## **D. Finance Annual Audit Responsibilities**

Annually, Finance will audit department and individual PCards. Beginning each fiscal year, Finance will schedule departments to audit each month. The audit will be performed through Web Apps or at the department location. See Exhibit F for audit process.

## **VI. PAYMENT OF MONTHLY EXPENDITURES**

### **A. Finance Responsibilities**

AP staff, with the assistance of the PCard Administrator/Coordinator, follows the Marion County PCard System Billing Procedure to process and pay the monthly billing.

## **VII. HANDLING OF LOST/STOLEN PCARDS, DECLINES, AND FRAUDULENT USE**

### **A. Procedures for Reporting Lost/Stolen PCards**

Like personal credit cards, if the PCard is lost or stolen, the Accountholder ***must contact the bank immediately by phone at: 1-866-500-8262 and follow with written confirmation. Marion County is liable for all unauthorized use of the PCard until Bank of America is notified of a lost or stolen PCard.***

The Accountholder must also notify the PCard Administrator or Coordinator immediately.

The PCard will be canceled and a new PCard will be issued and sent to the PCard Administrator or Coordinator within three to five business days. If the canceled PCard is located at a later date, it should be destroyed by cutting in half and forwarding it to the PCard Administrator or Coordinator. No one should attempt to use the canceled PCard.

## **B. Resolving Transaction Declines**

PCard transactions may be declined for a number of reasons, ie, the Merchant Commodity Code may not be authorized; transaction exceeds Accountholder single transaction limit or monthly transaction limit. If the PCard is being declined while making a purchase, the Accountholder can log into Works and view the Authorization log or should contact the PCard Administrator or Coordinator for assistance in troubleshooting the reason for the decline.

## **C. Resolving Disputes with Vendor/Bank**

In case of discrepancies or disputed charges, the vendor should be contacted first. Most exceptions or issues can generally be resolved between the Accountholder and the vendor/merchant by way of an adjustment that would appear in the current or next statement. If agreement cannot be reached with the vendor, the next step is to contact the bank at its customer service center: **1-888-449-2273**. Do not use Works to initiate a dispute. Bank staff is experienced in dealing with these problems and should be able to help. If the Accountholder is unable to obtain an acceptable resolution, he or she must contact the PCard Administrator or Coordinator for further assistance.

**If a credit is due, the vendor must issue a credit to the account. The Accountholder may not request or accept cash from a vendor when resolving a dispute.**

The bank recommends that all charges be paid and then allow the vendor time to resolve the dispute and issue a credit to the account. The original debit entry is the **ONLY** entry for billing purposes. Vendors will issue a provisional credit at the time of dispute. If the dispute is resolved in the favor of the Accountholder, a credit memo will be issued and make it possible to track the transaction. If the dispute is resolved in favor of the vendor, and a credit has already been taken, there will be no way to re-debit the account for the original amount.

If a purchased item needs to be returned for any reason, it will be necessary to make arrangements with the vendor/merchant to have the item shipped/delivered to the vendor's place of business or warehouse. The Accountholder must keep a copy of any shipping documents used for this purpose and have the transportation company sign for receipt of any items being returned. These documents are to be submitted to the PCard Coordinator with the monthly reconciliation paperwork.

The vendor/merchant should issue credit for any item that has been discussed and that it has agreed to accept for return. The Accountholder should review subsequent statements to assure that this credit has been processed and posted to the account.



Some disputed items, because of their complexity, may have to be submitted in writing. All written submissions must be on the current version of the form "Statement of Disputed Items". The bank staff will provide this to you at the time of the dispute.

#### **D. Fraudulent Use**

An Accountholder shall contact the PCard Administrator or Coordinator immediately upon discovery of transactions in Works that are not Accountholder expenditures initiated by the Accountholder. It is recommended that an Accountholder frequently check the account on-line in Works to help detect any unauthorized charges that may appear on the Accountholder's account. These transactions may be as small as a \$1.00 charge for some unusual fee. If this charge is not something that the Accountholder initiated, then the transaction(s) must be reported immediately to the PCard Administrator or Coordinator. The fraudulent transaction will be reported to the bank for further investigation. The bank will follow up with the Accountholder upon notice of fraudulent transactions on the account for additional information.

The bank has several fraud prevention programs in place to assist in detecting any fraudulent transactions from known scams or notice of unusual activity on a PCard. If the bank suspects unusual activity, the bank will call to verify whether the charge is an appropriate expenditure. The account may be put on a temporary hold in this situation until it can be resolved. If it is a known fraud scam, the account is immediately closed by the bank with immediate notification to the county.

Regardless of the dollar amount, if fraud is detected, the PCard will be canceled immediately. If the fraud is from an unknown outside source, a new PCard will be ordered by the PCard Administrator or Coordinator and the bank will transfer any legitimate transactions on the canceled PCard to the new account. If the fraud is a result of intentional misuse or non-compliance with program guidelines, the steps outlined in section VIII will be followed.

### **VIII. CONSEQUENCES FOR NON-COMPLIANCE WITH PROGRAM POLICY & PROCEDURES**

#### **A. Unauthorized use**

When inappropriate or unauthorized use of the PCard or failure to follow PCard procedures has occurred, notification of the misuse will be made to the Accountholder and the Accountholder's manager. Examples of misuse include, but are not limited to, unauthorized use, personal expenses, unallowable purchases, insufficient or incomplete documentation, and noncompliance with policies and procedures. Misuse could also include transaction purchases as outlined under the unethical government standards and practices section in Marion County Administrative Policy 601 Public Official Ethics.

If results of Finance annual audit are found in non-compliance and/or a continued pattern persists, Finance staff may implement further audit procedures.

Non-compliance and misuse of the PCard can result in notification to appropriate management and/or authorities for further investigation. If the PCard Administrator determines that any

action or unauthorized use of a PCard warrants an investigation, he/she may request assistance from appropriate management and/or authorities at any time.

## **B. Violation Consequences**

The Accountholder has been empowered as a responsible agent to safeguard the county's assets and make appropriate expenditure of county funds. There are consequences for non-compliance with established PCard program guidelines, up to and including any of the following:

- Temporary or permanent revocation of PCard privileges
- Notification to Sheriff's Office and Legal Counsel for further investigation of the matter
- Restitution payment regardless of the dollar amount
- Disciplinary action, in accordance with Personnel Rules and collective bargaining agreements, up to and including termination and legal action

## **IX. ASSISTANCE AND KEY PERSONNEL**

County PCard Administrator <a href="mailto:cschlag@co.marion.or.us">cschlag@co.marion.or.us</a>	Camber Schlag	566-3944
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County PCard Coordinator JWFord@co.marion.or.us	Justin Ford	589-3280
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### ***BANK OF AMERICA 1-888-449-2273***

Customer Service Center	Lost or Stolen Cards	Disputes/Research
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## **X. EXHIBITS**

Exhibit A	Marion County PCard Agreement Forms
Exhibit B	Marion County PCard Application Forms
Exhibit C	Marion County PCard Missing Receipt Form
Exhibit D	Marion County PCard Mistaken Use Form
Exhibit E	Marion County Department PCard Rules & Procedures Brochure
Exhibit E-1	Marion County Department PCard Checkout Log
Exhibit E-2	Marion County PCard Transaction Log Department Cards
Exhibit F	Marion County PCard Audit Process
Exhibit G	Marion County PCard Internal Control and Compliance Audit Program
Exhibit H	Marion County PCard Internal Control Questionnaire
Exhibit I	Marion County Department Monthly Audit Checklist
Exhibit J	Marion County Department Accountholder & Approver Checklist

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**Marion County**  
**OREGON**

**MARION COUNTY INDIVIDUAL PROCUREMENT CARD AGREEMENT FORM**

I hereby acknowledge that I have been authorized to receive and have been given a Bank of America procurement card (PCard) for authorized Marion County transactions. Authorized transactions are those that have been previously approved pursuant to Marion County Contract Review Board Rules, county administrative policies and procedures, or department/office policy, rule or regulation. I understand that the card is issued in my name, as the Accountholder, and will not allow any other person to use the card. I will protect the PCard at all times.

I acknowledge that I have attended the PCard training and received a copy of the Procurement Card User Procedures Manual. I agree to abide by all conditions pertaining to the use of the Marion County PCard contained in the manual. I understand that I may not exceed the single transaction purchase or the monthly limitation established for the PCard that I have been given. I will only use the PCard for approved authorized transactions.

I agree to surrender the card upon separation of employment with Marion County. I will notify Bank of America and Marion County PCard Administrator or Coordinator immediately if the card is lost or stolen or if I become aware of unauthorized or fraudulent charges on my account.

I understand that improper use of the PCard and failure to comply with the terms and conditions of this Agreement may result in disciplinary action, in accordance with Marion County Personnel Rules and collective bargaining agreements, up to and including termination and legal action.

I also understand that I will be required to reimburse Marion County for any unauthorized or fraudulent charges that I, or a member of my family, make on the PCard.

**APPROVAL SIGNATURE:**

Accountholder: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Supervisor: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

PCard Account #: XXXX-XXXX-XXXX- \_\_\_\_\_ Exp Date: \_\_\_\_\_

Previous PCard #: XXXX-XXXX-XXXX- \_\_\_\_\_ Returned Date: \_\_\_\_\_

Accountholder Initials: \_\_\_\_\_ PCard Administrator/Coordinator Initials: \_\_\_\_\_



**Marion County**  
**OREGON**

**MARION COUNTY DEPARTMENT PROCUREMENT CARD AGREEMENT FORM**

I hereby acknowledge that I have been authorized to receive and have been given a Bank of America procurement card (PCard) for authorized Marion County transactions. Authorized transactions are those that have been previously approved pursuant to Marion County Contract Review Board Rules, county administrative policies and procedures, or department/office policy, rule or regulation. I understand that the card has been issued to me, as the Department Accountholder, in the department's name and have been charged with the responsibility to hold in safekeeping until needed.

I acknowledge that I have attended the PCard training and received a copy of the Procurement Card User Procedures Manual. I agree to abide by all conditions pertaining to the use of the Marion County PCard contained in the manual. I understand that I am responsible for: 1) checking out/in the PCard to Temporary Users, 2) obtaining signature from Temporary PCard User at checkout, 3) reviewing Temporary PCard User Rules and Regulations with Temporary User upon checkout of Department PCard, 4) collecting completed and approved Temporary PCard Transaction Log, receipts and PCard from Temporary User and check Department PCard back in, 5) review, reconcile and sign off on all Department PCard transactions in Works, and 6) monitor the account for fraudulent, unapproved or unauthorized transactions and single or monthly transactions exceeding the established limitations.

I agree to surrender the card upon separation of employment with Marion County. I will notify Bank of America and Marion County PCard Administrator or Coordinator immediately if the card is lost or stolen or if I become aware of unauthorized or fraudulent charges on the account.

I understand that improper use of the PCard by the Department Accountholder or Temporary PCard User and/or failure to comply with the terms and conditions of this Agreement may result in reimbursement for any unauthorized charges, disciplinary action, in accordance with Marion County Personnel Rules and collective bargaining agreements, up to and including termination and legal action.

**APPROVAL SIGNATURE:**

Accountholder: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

PCard Account #: XXXX-XXXX-XXXX- \_\_\_\_\_ Exp Date: \_\_\_\_\_

Previous PCard #: XXXX-XXXX-XXXX- \_\_\_\_\_ Returned Date: \_\_\_\_\_

Supervisor: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Accountholder Initials: \_\_\_\_\_ PCard Administrator/Coordinator Initials: \_\_\_\_\_



**Marion County**  
OREGON

**MARION COUNTY APPROVER AND ACCOUNTANT PROCUREMENT CARD AGREEMENT FORM**

I hereby acknowledge that I have been authorized to review and approve transactions charged against a Bank of America procurement card (PCard) for authorized department expenditures by staff under my direct supervision (Approver) or for review as the Department Accountant. Authorized transactions are those that have been previously approved pursuant to Marion County Contract Review Board Rules, county administrative policies and procedures, or department/office policy, rule or regulation.

I acknowledge that I have attended the PCard training for my role as an Approver or Department Accountant and received a copy of the Procurement Card User Procedures Manual. I agree to abide by all conditions pertaining to the use of the Marion County PCard contained in the manual. I understand that I am responsible for: 1) reviewing Accountholder Rules and Regulations with PCard users, 2) review, reconcile and sign off on all assigned PCards and their transactions in Works, 3) will report any unauthorized or fraudulent use of the PCard that I discover while performing my duties as a Approver or Department Accountant to my department head and to the County PCard Administrator, 4) As an Approver, review and approve all assigned PCard Transaction Logs and receipts, 5) As a Department Accountant, audit assigned PCards monthly following the process outlined in the Procurement Card User Procedures Manual.

I understand that improper use of the PCard or failure to comply with the terms and conditions of this Agreement may result in disciplinary action, in accordance with Marion County Personnel Rules and collective bargaining agreements, up to and including termination and legal action.

**APPROVAL SIGNATURE:**

Approver/Accountant: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Department Head: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Works Group: \_\_\_\_\_ Sub Group: \_\_\_\_\_

Check one  Accountant  Approver



**Marion County**  
OREGON

**MARION COUNTY PROCUREMENT CARD DEPARTMENT PROXY AGREEMENT FORM**

I hereby acknowledge that I have been authorized to review and signoff transactions charged against a Bank of America procurement card (PCard) for authorized department expenditures by cardholders within my department only in the event the cardholder is unavailable. Authorized transactions are those that have been previously approved pursuant to Marion County Contract Review Board Rules, county administrative policies and procedures, or department/office policy, rule or regulation.

I acknowledge that I have attended the PCard training for my role as a Department Proxy and received a copy of the Procurement Card User Procedures Manual. I agree to abide by all conditions pertaining to the use of the Marion County PCard contained in the manual. I understand that I am responsible for: 1) review completed and approved PCard Transaction Log and receipts 2) review, reconcile and sign off on all PCard transactions in Works, 3) reporting any unauthorized or fraudulent use of the PCard that I discover while performing my duties as a Proxy for my department to my department head and to the County PCard Administrator.

I understand that improper use of the PCard or failure to comply with the terms and conditions of this Agreement may result in disciplinary action, in accordance with Marion County Personnel Rules and collective bargaining agreements, up to and including termination and legal action.

**APPROVAL SIGNATURE:**

Proxy: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Supervisor: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

# MARION COUNTY PCARD APPLICATION FORM FOR INDIVIDUAL CARD AND WORKS ROLE ASSIGNMENT

NEW

CHANGE

REPLACEMENT

CANCEL

<b>Cardholder Name (Last, First, Middle Initial)</b>		<b>Emp. Date of Birth</b>	<b>Employee #</b>	<b>Work Phone</b>
<b>Department</b>	<b>Works Group</b>	<b>E-mail Address</b>		
<b>Department Address</b>		<b>City/State/Zip</b>		
<b>Business Purpose:</b>				

**WORKS PCARD ROLES (Check all that apply)**

**No Card: Works Role Only**

Accountholder	<input type="checkbox"/>	Indicate card limits below
*Group Owner	<input type="checkbox"/>	* Only one owner per group
Group Approver	<input type="checkbox"/>	Multiple approvers possible
Group Auditor	<input type="checkbox"/>	Access to run reports
Group Accountant	<input type="checkbox"/>	Access to run reports, reconciles group transactions at month end
Group Proxy Reconciler	<input type="checkbox"/>	Reconcile transactions if cardholder is unavailable

<b>Standard Limits</b> <input type="checkbox"/>	<b>Limit Exception (attach justification)</b> <input type="checkbox"/>	<b>MCC Code Exception</b> <input type="checkbox"/>
Maximum credit \$5,000	Maximum Credit: \$	Office Supplies <input type="checkbox"/>
Single Purchase \$1,000	Single Purchase: \$	
Purchase Pre-approval Required:	<input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>	

**Employee**

\_\_\_\_\_  
Signature Date

**Supervisor**

\_\_\_\_\_  
Signature Date

**Department Head**

\_\_\_\_\_  
Signature Date

<b>Finance Use Only:</b>		
<b>Chief Financial Officer</b> (Exceptions only)	Signature	Date
<b>PCard Administrator</b>	Signature	Date
Card Ordered:	_____	
Change entered:	_____	
Oracle updated:	_____	

# MARION COUNTY PROCUREMENT CARD APPLICATION FORM FOR DEPARTMENT CARD(S)

NEW

CHANGE

REPLACEMENT

CANCEL

<b>Custodian Name (Last, First, Middle Initial)</b>		<b>Emp. Date of Birth</b>	<b>Employee #</b>	<b>Work Phone</b>
<b>Department</b>	<b>Works Group</b>	<b>E-mail Address</b>		
<b>Department Address</b>		<b>City/State/Zip</b>		

<b>Number of Department Cards Requested:</b>	<b>Primary</b> <input type="checkbox"/>	<b>Backup</b> <input type="checkbox"/> (For existing card indicate last 4 digits )
<p>Department Cards are authorized for purchase of goods and travel related expenses. It is a "presentment only" card which means the card must be physically present to complete the transaction: internet, phone, fax purchases are excluded from use with this type of card.</p> <p><b>ADDITIONAL COMMENTS:</b></p>		

<b>Standard Limits</b> <input type="checkbox"/>	<b>Request for Limit Exception (attach justification)</b> <input type="checkbox"/>
Maximum credit \$5,000	Maximum Credit: \$
Single Purchase \$1,000	Single Purchase: \$

**Employee** \_\_\_\_\_  
Signature Date

**Supervisor** \_\_\_\_\_  
Signature Date

**Department Head** \_\_\_\_\_  
Signature Date

Finance Use Only:		
<b>Chief Financial Officer</b> (Exceptions only)	Signature	Date
<b>PCard Administrator</b>	Signature	Date
Card(s) Ordered:	_____	
Change entered:	_____	
Oracle updated:	_____	



**MARION COUNTY PROCUREMENT CARD PROGRAM- WORKS ORGANIZATION GROUP REQUEST**

<b>Works MAIN Group</b>	<b>SUB Group :</b> <b>NEW</b> <input type="checkbox"/>		<b>DELETE</b> <input type="checkbox"/>
	<b>Name:</b>		
<b>Department Address</b>		<b>City/State/Zip</b>	

**\*\*Complete section below, IF person requested is currently in the Works system and performing the role in another group no individual form is required, IF NOT an individual form must be completed and returned with this request\*\***

<b>NEW GROUP ONLY</b>	<b>Name- Printed</b>	<b>Signature</b>
Group Owner		
Group Approver		
Group Approver		
Group Auditor		
Group Accountant		
Group Accountant		
Group Proxy Reconciler		

**Comments:**

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**Supervisor**

\_\_\_\_\_  
Signature Date

**Department Head**

\_\_\_\_\_  
Signature Date

<b>Finance Use Only:</b>	
<b>PCard Administrator</b>	_____ Signature <span style="float: right;">Date</span>
Group created:	_____
Change entered:	_____
Other:	_____



**Marion County**  
OREGON

**MARION COUNTY PROCUREMENT CARD MISSING RECEIPT FORM**

**Complete and email this form to Finance: [PO\\_Contracts@co.marion.or.us](mailto:PO_Contracts@co.marion.or.us) as soon as missing receipt or non-detailed receipt is discovered. A copy of this form must be completed for each missing or non-detailed receipt and included with Monthly Statement paperwork being submitted to Manager for review and sign-off. Use of the Procurement Card Missing Receipt Form should be extremely rare and is not a regular substitute for the original or non-detailed receipt. Re-occurrence could result in loss of PCard privileges. See Section IV. 5 of the PCard Manual for additional information on missing receipts.**

Printed Accountholder Name: \_\_\_\_\_

Department Card User: \_\_\_\_\_

Transaction Date: \_\_\_\_\_

Vendor Name: \_\_\_\_\_

Amount of Purchase: \_\_\_\_\_

Items Purchased: \_\_\_\_\_

Business Purpose: \_\_\_\_\_

Reason for Missing Receipt: \_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Accountholder

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Approver

Printed Approver Name & Title: \_\_\_\_\_

**Review of Policy:** ([http://intra.co.marion.or.us/Dept/FIN/ContractMgt\\_Purchasing.htm](http://intra.co.marion.or.us/Dept/FIN/ContractMgt_Purchasing.htm))

Finance Department Review: \_\_\_\_\_ Date: \_\_\_\_\_



**Marion County**  
OREGON

**MARION COUNTY PROCUREMENT CARD MISTAKEN USE FORM**

Complete and email this form to Finance: [PO\\_Contracts@co.marion.or.us](mailto:PO_Contracts@co.marion.or.us) as soon as mistaken use of PCard is discovered by the cardholder. (See Section IV. 6 of PCard Manual.) A copy of this form must be completed whether or not the Vendor is able to credit the cardholder's account. A copy of this form and any supporting documentation will be included with Monthly Statement paperwork being submitted to Supervisor for review and sign-off. Non-Authorized and Personal use of PCards is prohibited by Marion County.

Printed Accountholder Name: \_\_\_\_\_

Department Card User: \_\_\_\_\_

Transaction Date: \_\_\_\_\_

Vendor Name: \_\_\_\_\_

Amount of Purchase: \_\_\_\_\_

Items Purchased: \_\_\_\_\_

Mistaken Use:  Personal Use       Split Requirement       Non PCard Item

Reason for Mistaken Use: \_\_\_\_\_

\_\_\_\_\_

Vendor able to reverse transaction:  Yes  No

*If no for Personal Use: Attach copy of cardholder's personal check or money order and confirmation that the reimbursement of this expenditure has been deposited into Department's account to offset expenditure.*

Allocation:

Fund:      D:      I:      P:      S:      Acct:      Project:

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Cardholder

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Manager

Printed Manager Name & Title: \_\_\_\_\_

**Review of Policy:** ([http://intra.co.marion.or.us/Dept/FIN/ContractMgt\\_Purchasing.htm](http://intra.co.marion.or.us/Dept/FIN/ContractMgt_Purchasing.htm))

Finance Department Review: \_\_\_\_\_ Date: \_\_\_\_\_

## Department PCard Rules & Procedures

The following rules and procedures are established for using Department PCards. Please read it carefully. The Department PCard is assigned to a department custodian for check out by other department staff.

### **Procedures for Department Account Card User**

- The temporary user of the Department PCard will check out the card for an interim period of time and by their signature on the check out log, agree to abide by the established rules and procedures for Department PCard use.
- The Department PCard may be used at any qualified merchant that accepts Master Card for appropriate expenditures.
- The Department PCard shall not be used for over the phone or internet purchases. The Department PCard is for physical presentment use only.
- The Department PCard is intended for low value expenditure for goods and services that benefit the County. Purchases shall be for authorized expenditures only. Cash withdraws are not an authorized purchase. Examples of the types of purchases that can be made with the card are tools, parts, shop supplies, office

supplies, books, software, etc. or travel related expenditures.

- Maximum dollar amount per transaction (total cost) (\$1,000)  
Total spending limit per month per card (\$5,000)
- Transactions may not be split in order to meet the standard transaction limits established above. If higher limits are needed, a request approved by the department head for extended limits may be made to the PCard Program Administrator.
- The temporary user will need to keep both credit card receipt and a cash register or handwritten sales receipt for each transaction charged to the Department PCard. It is the temporary user's responsibility to keep all transaction receipts, charge slips or any other information related to the purchases made on the Department PCard.
- The temporary users will make sure vendors **do not** include sales tax, excise tax or use tax. Marion County is exempt from paying these taxes.
- The temporary user must keep the Master Card and PIN in a secure location and safeguard the Master Card account number during their use of the Department PCard.

- The temporary user must fill out the Department PCard Transaction Log for all purchases made on the Department PCard.
- All receipts collected during the use of the Department PCard must be attached to the transaction log and returned to their Department PCard custodian.
- If the temporary user was not able to obtain the necessary receipt or documentation, a written justification must be submitted when the Department PCard is returned to the department custodian.
- The completed transaction log and attached receipts must be signed by the temporary user and reviewed and approved by their supervisor.
- The temporary user shall return the Department PCard and completed transaction log to the department custodian for reviewing and approving these expenditures in the Works program in a timely manner.
- Like personal credit cards, if the P-Card is lost or stolen, the cardholder **must contact the bank immediately by phone at: 1-888-449-2273 and follow with written confirmation.** The temporary

user must also contact the County PCard Administrator or Coordinator, Department PCard Custodian and Supervisor.

### Consequences for Non-Compliance to Program Guidelines

- The cardholder has been empowered as a responsible agent to safeguard the county's assets and make appropriate expenditure of county funds. There are consequences for non-compliance with established Department PCard program guidelines, up to and including any of the following:
  - Permanent revocation of Department PCard privileges;
  - Assignment of wages for repayment of discrepancies;
  - Notification to Sheriff's Office and Legal Counsel for further investigation of the matter;
  - Disciplinary action, in accordance with Personnel Rules and collective bargaining agreements, up to and including termination and legal action.

### **ASSISTANCE AND KEY PERSONNEL**

Marion County PCard Administrator  
Camber Schlag 503-566-3944 [cschlag@co.marion.or.us](mailto:cschlag@co.marion.or.us)

Marion County PCard Coordinator  
Justin Ford 503-589-3280 [jwford@co.marion.or.us](mailto:jwford@co.marion.or.us)

Dept. PCard Custodian  
Name: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### **BANK OF AMERICA**

Customer Service Center  
Lost or Stolen Cards  
Disputes/Research

**1-888-449-2273**



O R E G O N

**Marion County**

**Department PCard**

**Temporary User**

**Rules & Procedures**

**EXHIBIT E-1 MARION COUNTY DEPARTMENT PCARD #\_\_\_\_\_ CHECKOUT LOG**

<b>Date Checked Out</b>	<b>Employee Name</b>	<b>Signature</b>	<b>Division/Purpose</b>	<b>Date Returned</b>	<b>Signature</b>

# EXHIBIT E-2 Marion County PCard Transaction Log Department Cards

Card Embossed Name: [Dept Name 1] \_\_\_\_\_

Usage Date: \_\_\_\_\_

Temporary Card User: [Name] \_\_\_\_\_

Usage Purpose: (Check one)	Travel	
	Purchase	

Date	Vendor	Detailed Description of Items	\$ Amount	Fund	Service	Account	Project

**Department PCard User Reconciliation - PCard billing cycle is the 19th - 18th of each month**

- > Record all transactions/purchases during your use of Department Account Pcard
- > Attach all receipts, invoices, credit memos, shipping and appropriate supporting documents
- > Temporary User to sign name to indicate transactions verified
- > Obtain Cost Center Manager/Supervisor Approval
- > Retain a copy for Temporary Pcard user files
- > Return the Department Pcard, this completed signed form & attached receipts to your Department Pcard Custodian within 48 hours of use

\_\_\_\_\_

Temporary User Printed Name

\_\_\_\_\_

Supervisor Manager Signature    Date

\_\_\_\_\_                                  \_\_\_\_\_

Temporary User Signature                                  Date

## **Exhibit F - Procurement Card Audit Process**

### **Audit Requirements**

According to county policy 909, the Finance Department is responsible for monitoring the Procurement Card (PCard) program for compliance. To ensure compliance, the Finance department will conduct an annual audit of the PCard Program.

### **Purpose of Audit**

The purpose of the Audit is to determine if the PCard Program is working as designed and if departments are in compliance with established policies and procedures. Results of audit will help identify strengths, weaknesses and any areas of improvement within the PCard program. Finance department will also follow up on any previous audit findings or recommendations related to PCard program.

### **Timing of the Audit**

Departments will be audited, at a minimum, bi-annually. The audit will be conducted using the forms provided for the particular audit period. Finance will review selected months and audit PCard transactions within those months for proper internal controls and compliance.

### **Background**

Per the PCard manual, departments are expected to perform self-audits on a monthly basis prior to the monthly invoice being paid. All PCard receipts should be maintained in Web Apps.

### **Applicable Rules and Guidance**

The following laws, regulations, policies and procedures prescribe the criteria applicable to PCard use:

- Marion County Policy 909 and Procedure 909A Marion County Procurement Card Program Procedures
- Marion County Policy 901 and Procedure 901A Marion County Public Contracting Rules
- 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- Marion County Approved Payment Methods

PCard Accountholders, Approvers, and Accountants will also need to be familiar with any additional requirements specific to their department regarding the use of the PCard (i.e. Department policies).

### **Audit Steps/Procedures**

As part of the bi-annual audit, the Finance Department will perform the following procedures:

- A. Using the PCard control questionnaire, review the Internal Controls over PCard transactions for each Department.
  - Gain an understanding of the relevant laws, regulations and department policies and procedures that govern the audited PCard program.



- Review existing laws, regulations, and policies and procedures relevant to the county PCard program (both required and recommended).
- Gain an understanding of how the PCard program operates within the department in addition to the county policy and procedure, the flow of transactions from request to payment; the key controls over the entire process including transaction authorization, approval, review, and reconciliation; record keeping of receipts or services, training received by Accountholder, Approver and Accountant; training provided to employees who check out department PCards.
- Inquire with program officials responsible for managing the PCard program within the department to gain an understanding of additional requirements, changes in the program or deviations from laws, regulations, and policies, if any.
- Compare existing controls and processes and determine whether the operations comply with requirements set forth in rules and procedures for the county's PCard program.

B. Test PCard transactions for proper internal controls and compliance over PCard use. Test work will be documented on the PCard Testing form.

- Obtain previous 12 months of PCard transaction data for a department from Web Apps (by PCard Name and PCard #).
- Randomly selected individual and department PCards will be audited. Of the selected PCards, sub-select three out of twelve months of each PCard selected to be audited. Review all transactions within the three months selected.
- Review PCard Transactions for the following:
  - Transaction amount within PCard dollar limit;
  - Transaction was approved timely;
  - Adequate supporting documentation was obtained for each transaction;
  - If there was no documentation, other required documentation was completed and approved;
  - Transactions were reviewed on Monthly Billing Statements;
  - Transactions were allowable.

**Audit Results:**

Once the audit is complete and after review of initial findings, a site visit and or meeting may be set-up with each department to review findings and internal procedures. A draft audit report will be developed and sent to each Department Head for review.

Based on the results of the audit, any training, action or changes within the department's PCard program will be discussed at that time.

**Audit Forms:**

- Exhibit G Marion County PCard Internal Control and Compliance Audit Program

- Exhibit H Marion County PCard Internal Control Questionnaire

**Exhibit G - PCard Internal Control & Compliance Audit Program**

Step #	Audit Steps	PCard Manual Section	Initial/Date Completed	Workpaper Reference
A. Obtain and understanding of the Department's PCard program.				
1	Obtain and review the department's written policies and procedures in addition to county-wide requirements.	II		IC Questions - A.1
2	Identify and interview selected PCard program personnel, including personnel from the following categories, for the purpose of supplementing and clarifying the auditor's understanding gained from review of the department's written policies and procedures:			
	a. Accountholders	II.B		IC Questions - Section B
	b. Approvers	II.B		IC Questions - Section C
	c. Accountants	II.B		IC Questions - Section D
3	Perform a walk-through of one or more selected PCard transactions to confirm the understanding of:			IC Questions - Section A - D
	a. The internal control process of a typical PCard transaction			
	b. The system of internal controls agreed to documented policies and procedures.			
4	Based on walkthrough and understanding of departments PCard process, determine if controls are working effectively and in compliance with policies. If not, document recommendations.			IC Questionnaire
5	Identify any previous PCard audit recommendations and follow up as necessary. Determine if the recommendations have been implemented. If not, do the recommendations need to be repeated in the Draft Report.			IC Questionnaire
B. Determine and document the department's procedures related to the control environment				
1	Document the current total number of Accountholders at the department, and determine the current total number of Approvers and Accountants at the department.	Works		IC Questions - A.2
2	Calculate the average number of:	II.B		See Testing Sheet
	a. Employees to Accountholders			
	b. Accountholders to Approvers			
	c. Accountholder to Accountants			
3	Determine whether and how the department initially and periodically determines that Accountholder's credit limit is appropriate to their needs.	III.C		IC Questions - A.3
4	Determine when the Accountholders, Approvers, and Accountants receive refresher training (certificates, dates).	III.A		IC Questions - B.1, C.1, D.1
5	Process and documentation requirements for Accountholder reconciliation of monthly PCard statements; and	V.A		IC Questions - Section B
6	Process and documentation requirements for Approver review and approval of assigned Accountholder's monthly PCard transactions.	V.A		IC Questions - Section C
7	Process and documentation requirements for Accountant review of assigned Accountholder's monthly PCard transactions.	V.A		IC Questions - Section D
8	Are there any individual issued cards that have gone unused for greater than 180 days. If so, inquire as to reasons for continuing individually issued card.	IV.A.7		IC Questions - Section D

Step #	Audit Steps	PCard Manual Section	Initial/Date Completed	Workpaper Reference
C. Obtain PCard data for department to select a sample of PCard transactions to test department's control activities.				
1	Obtain listing of all PCards issued to the department, including individual cards. List should contain PCard # and Name. From that population, select a sample for both Department and Individual PCards to audit, based on the following:	Works		Finance to obtain from Works.
	a. Based on the Sample Size Chart, randomly select department PCards to audit. (If Department has 2 or less PCards, select all PCard #'s to audit.)	Sampling Chart		See Testing Sheet
	a. Based on Sample Size Chart, randomly select Individual PCards to audit. (If departments has 2 or less individual PCards, select all PCard #'s to audit.)	Sampling Chart		See Testing Sheet
	b. For each PCard selected in 1.a. above, sub-select 3 of 12 months to audit. Review all transactions within those three months for audit.	Exhibit F, Section B.		See Testing Sheet
2 For each Department PCard transaction (based on sample selection in C.1 above), test the following:				
	a. Transaction was approved by supervisor timely (i.e. prepurchase request, approval, authorization, or other determination of a legitimate county need and within Accountholder's job description.) If supervisor was unavailable, proxy approver was appropriate for circumstance.	IV.A		See Testing Sheet
	b. Review department PCard log for checking in/out of PCards, approver of transactions & adequate documentation. Ensure transactions are non-routine and not checked out daily by department staff member.	III.B.1		See Testing Sheet
3 For each Individual PCard transactions (selected in C.1 above), test the following:				
	a. Monthly billing statement contains appropriate approval signature at the end of each month, authorizing purchases on PCard for that month.	IV.A		See Testing Sheet
4 For ALL PCards transactions (department <b>AND</b> Individual), test the following:				
	a. Adequate supporting documentation exists for transaction. Documents should relate directly to the PCard transaction. Adequate documentation should include detailed receipts, vendor invoices, or any other circumstances listed on the <b>Guidance</b> tab.	IV.B		See Testing Sheet
	b. If no documentation was obtained or did not meet the criteria for adequate documentation, was a missing receipt form completed and signed by the supervisor?	IV.D		See Testing Sheet
	c. Monthly billing statement was reviewed prior to paying the monthly PCard bill.	V.A.1		See Testing Sheet
	d. Transaction was allowable, per department policies, program services, federal regulations (2 CFR 200 and grant agreement/contract), business purpose or legitimacy of county need.	III.D		See Testing Sheet
D. Summary and Conclusion				
1	Consider the results of transaction-level and other control tests, and the results of data mining and follow-up of potentially fraudulent, improper, and abusive transactions, and prepare a memorandum for inclusion in the work papers documenting the considerations made and conclusions reached by the auditor on the overall effectiveness of the design and performance of internal control designed to prevent and detect potentially fraudulent, improper, and abusive PCard transactions.			Report

**Exhibit G-1 PCard Internal Control & Compliance Audit Program - Guidance**

Step #	Audit Steps Guidance	PCard Manual Section												
A.1	Review Department's internal PCard Policy for use and business purpose of PCard activity. Document any significant variations from county policies.	II												
A.2	Provide IC questionnaire to various Department Staff, depending on their roles and assignments in association with PCards. Review responses for obtaining an understanding of PCard uses.	II.B												
A.3	Take one transaction from sample selection in C.1.a for both Department transaction and individual transaction to determine that PCards transactions are in compliance with County and Department Policies.													
C.1.a	<b>Sample Size Chart</b>													
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;"><u>Population Size (# of PCards)</u></th> <th style="width: 33%;"><u>Sample Size - Department (# of PCards to Audit)</u></th> <th style="width: 33%;"><u>Sample Size - Individuals (# of PCards to Audit)</u></th> </tr> </thead> <tbody> <tr> <td align="center">1-5</td> <td align="center">ALL</td> <td align="center">ALL</td> </tr> <tr> <td align="center">6-24</td> <td align="center">5-7</td> <td align="center">5-7</td> </tr> <tr> <td align="center">25 or more</td> <td align="center">8 or 25% of population (whichever is greater)</td> <td align="center">8 or 25% of population (whichever is greater)</td> </tr> </tbody> </table>	<u>Population Size (# of PCards)</u>	<u>Sample Size - Department (# of PCards to Audit)</u>	<u>Sample Size - Individuals (# of PCards to Audit)</u>	1-5	ALL	ALL	6-24	5-7	5-7	25 or more	8 or 25% of population (whichever is greater)	8 or 25% of population (whichever is greater)	
<u>Population Size (# of PCards)</u>	<u>Sample Size - Department (# of PCards to Audit)</u>	<u>Sample Size - Individuals (# of PCards to Audit)</u>												
1-5	ALL	ALL												
6-24	5-7	5-7												
25 or more	8 or 25% of population (whichever is greater)	8 or 25% of population (whichever is greater)												
C.4.a	Additional examples of supporting documentation could include:													
	For gift card transactions, ensure documentation provided for gift card number, who received and the date.	III.D												
	For cooperative agreement transactions, ensure cooperative agreement number and pricing was obtained.	III.D												
	For transactions with meals, ensure date, time, location, agenda and attendees list is provided as documentation	III.D												
	For property or equipment purchased, ensure property control records or serial numbers are documented.	Fixed Asset Control Policy												
	For online orders, ensure shipping address is department location	IV.C												
C.4.b	Additional examples if no documentation was obtained:													
	For non-routine transactions, ensure adequate supporting documentation was obtained and followed policy & procedures, such as: If transaction was disputed, Bank dispute/affidavit forms were completed; If Mistaken Use forms completed, funds were reimbursed to county.	VII, IV.E												
C.4.d	Additional guidance on determining if transaction was allowable.													
	Review transaction for fraudulent, improper, or the nature of an abusive purchase, such as (but not limited to): questionable vendors, retailers that offer reward or rebate benefits (such as Safeway) weekend and holiday purchases, split purchases, unusual amounts or relationships, frequent amounts with same vendors, multiple transactions for the same amount, or suspicious accountholders.	VII.D												

**Exhibit I - Department Monthly Audit Checklist**

Step #	Audit Steps	PCard Procedure Manual Section
<b>A. Review transactions in Works</b>		
1	Ensure each transaction has an associated scanned image and contains adequate supporting documentation (matched receipts, invoices, packing slips, etc.).	V.4
2	Agree transaction amount to supporting documentation. Review for any amounts that do not agree and follow up on discrepancy.	V.2
3	If receipts are missing or there was an instance of mistaken use, ensure appropriate forms are attached and signed by appropriate individuals.	V.2
4	Review supporting documentation for accountholder and supervisor approval/sign-off.	V.3
<b>B. Review transactions for unusual or non-routine purchases.</b>		
1	Review for similar transactions or items purchased within short period of time.	V.3
2	Review transactions for split orders (same vendor/day), possibly indicating avoidance of single transaction limit or PCard dollar limit.	V.3
<b>C. Review transactions for appropriate GL coding.</b>		
1	Based on the purchase description, review transaction for appropriate GL code combination. Make corrections if necessary.	V.3
<b>D. Review transaction for allowability.</b>		
1	Review transactions and ensure charges were for approved purchases and allowable per contract, grant agreement, department and/or county policies. If purchase was considered a mistaken use, ensure appropriate documentation is completed and signed by appropriate individual.	V.3
<b>E. Flag noncompliant transactions.</b>		
1	If transactions do not comply with steps A-D above, flag transactions and inquire as necessary. Ensure Accountholder or Approver addresses/corrects each flagged transaction and once transactions are appropriately addressed/corrected, move to step F.	V.3
<b>F. Review and approve monthly billing statement.</b>		
1	Once all transactions & supporting documentation have been reviewed and comply with PCard procedures, initial and date Works transactions and Billing statement.	V.3

## Exhibit J - Department Accountholder & Approver Procedures Checklist

Step #	Audit Steps	PCard Manual Section
<b><u>Accountholder - Daily</u></b>		
A. Ensure each transactions has adequate supporting documentation.		
1	Ensure each transaction has an associated detailed (itemized) receipt (original cash register/sales receipts, invoices, packing slips, etc.).	IV.A.2
2	Agree receipts to transaction amount posted in Works. For any amounts that do not agree, follow up and correct as necessary.	V.A.1
3	If receipts are missing, ensure missing receipt form is attached and signed by appropriate individuals.	IV.A.5
B. Enter GL Information into Works		
1	For each transaction, enter costing information (fund/service/account/project) into Works.	V.A.1
2	For each transaction, under the General tab in Comments section, enter description of purchase. (Information will transfer to Oracle. Note field has limited characters, so be concise, yet descriptive.)	V.A.1
3	For each transaction, copy and paste description entered in B.2. above, into the Allocation tab description.	V.A.1
C. Sign off in Works		
1	Once transactions have been reviewed for supporting documentation and agree to information contained in Works, sign off on transactions. (Approver will be notified transactions are ready to be reviewed.)	V.A.1
<b><u>Accountholder - Monthly</u></b>		
D. Monthly, compare billing statement to Works for accuracy and completeness.		
1	Around the 19th of each month, compare transactions listed on monthly billing statement to those recorded in Works. Ensure each transaction has an original detailed receipt. Resolve any outstanding or transactions that do not agree. Once complete, attach receipts to billing statement and forward to Approver by the 22nd of each month.	V.A.1
<b><u>Approver - Daily</u></b>		
A. Review transactions in Works.		
1	Review transactions in Works. Ensure each transaction contains adequate supporting documentation, adheres to department and county policies, transaction is allowable, transaction is coded to the correct GL and contains adequate purchase descriptions. If transaction does not comply with the above, flag transaction for Accountholder to correct and resolve.	V.A.2
2	Once transactions meet the necessary requirements, sign off on each transaction as reviewed and approved.	V.A.2
<b><u>Approver- Monthly</u></b>		
B. Monthly, compare billing statement to Works for accuracy and completeness.		
1	Around the 23rd of each month, compare transactions listed on monthly billing statement to attached receipts and to the transactions recorded in Works. Ensure each transaction: 1) has an original detailed receipt and is signed by the accountholder, 2) is for a legitimate county need, 3) receipt amounts agree to billing statement, and 4) complies, overall, with department and county PCard policies and procedures. Add tickmarks and edit checks indicating approver review.	V.A.2

2	Once transactions and monthly billing statement have been reviewed and approved, initial and date billing statement and forward to Accountant for final review. Approve reports from Works, indicated billing is ready for Accountant Review. Complete by 26th of each month.	V.A.2
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