



Lake County Policy

INTERNAL USE ONLY

Procurement Card Policy

Policy Number:

Version: 2.0 Date: 01/12/2016

1.0 Purpose

The Purchasing Card (P-Card) Program is designed to make purchasing operational supplies and services easy and flexible. Departmental staff can make purchases without emergency check requests, filing out credit applications for one-time vendors, or using petty cash.

2.0 Scope

The Purchasing Card (P-Card) Program is designed to purchase supplies and services having available and appropriate funding. The transactions and credit limits on the card are determined by the supervisor/department head and Program Administrator and are dependent upon the requirements of the cardholder's position and responsibilities. With the approval of the P-Card application by the supervisor/department head, the cardholder has been delegated expenditure and purchasing authority.

3.0 Policy

3.1 Policy Details

General Responsibilities

- The P-Card is to be used to purchase supplies and services having available and appropriate funding.
- The P-Card is the County's preferred method of making small purchases and should be used for all purchases less than the amount required to issue a purchase order. Cardholder should be acquainted with the purchasing policies and guidelines of Lake County and make card purchases in accordance with these policies (see appendix A).
- The County has many contracts with suppliers for guaranteed/discount pricing. Purchases for items under contract are to be made with these preferred suppliers. Purchasing items from non-preferred suppliers when an agreement between the County and another supplier exists must be explained.

Cardholder Controls and Spending Limits

The County has the ability to control use in the following ways:

- Single transaction limit - The delegation of authority that has been provided to each cardholder sets the maximum dollar amount for each purchase.
- Total credit limit - The delegation of authority that has been provided to each cardholder sets the maximum dollar amount for all purchases made within a given 30 day billing cycle that ends approximately the 10th of each month. Each time a cardholder makes a purchase, the limits are checked. The authorization request will be declined should the amount exceed the limit. If the credit limit on your card is not adequate to handle planned purchases, contact your supervisor/department head who will contact the Program Administrator.
- Merchant Category Code (MCC) - Each business is classified by the services or products that it supplies and is given a specific MCC. The County can restrict purchases by MCC.



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Reconciliation and Audits

P-Card statements are to be reconciled monthly online using the County sponsored, web-based program that allows them to review and allocate their transactions to the correct ledger accounts. The Program Administrator will perform continual audits of a cardholder's P-Card documentation to ensure that record keeping is complete and accurate and that P-Card program procedures are being followed. Improper use may require relinquishing the P-Card and may result in disciplinary action up to and including termination and criminal prosecution.

Requests New P-Cards or Changes to P-Cards

Employees should use a P-Card Request Form to be issued a P-Card. This form can be found on ESP. All requests must be approved by their supervisor/department head. Supervisor/department heads must contact the Program Administrator to make changes to existing cards.

Transferred/Terminated Employees

The supervisor/department head is responsible for contacting the Program Administrator to deactivate a P-Card when an employee leaves the department, whether transferred to another County Department or terminated.

3.2 Guidelines

The cardholder is responsible for ensuring receipt of materials and supplies, and resolving any receiving discrepancies or damaged goods issues.

The cardholder is responsible for indicating to the supplier that the County is tax exempt and should not be charged sales tax for supply type items in Illinois. Sales tax exceptions are restaurant food, airline flights and hotel rooms.

The cardholder may make purchases for any employee that is located in the cardholder's department if the cardholder has received authorization from a supervisor/department head.

P-Cardholders should use the P-Card to cover travel and business expenses for themselves. Departments should use a designated departmental P-Card to cover travel and business expenses of their employees wherever possible. P-Card charges should comply with the County Employee Reimbursement Policy.

If for any reason the department head or designee questions a purchase, it is their responsibility to resolve the issue with the cardholder. If they cannot be satisfied that the purchase was necessary and for official business use, then the cardholder must obtain a credit from the merchant or provide payment for the amount of the purchase.

The P-Card should not be used for individual purchases which have been artificially separated from larger or bulk requirements to fall within spending limits or contracted and/or 1099 services.



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The P-Card is not a personal credit card and remains the property of Lake County. The liability for all outstanding charges on the card is with Lake County. The card should only be used for purchases required in the normal course of business. Cardholders cannot use the P-Card for personal purchases with the intent of reimbursing the County. All the charges are County liabilities and have no impact on the cardholder's personal credit rating.

Purchasing Card Security

A lost or stolen card must be reported immediately by telephone to P-Card provider at the phone listed on the back of the card. You must also notify your supervisor/department head who will notify the Program Administrator. The card will be inactivated immediately and a replacement card will be issued.

Program Administration

Cardholders should communicate any concerns to the Program Administrator related to the reporting, documentation, procedures, and use restrictions related to the P-Card Program to make this program as effective as possible.

Program Administrator: Michele Slav at 377-2903.

For information regarding reconciliation, please contact Teresa Bond at 377-2167

3.3 Policy Exceptions

Expenses claimed must be supported by original receipts for all individual transactions. An employee that does not have an itemized receipt but does have some form of receipt such as a credit card bill for the expense must submit whatever documentation is available and a Policy Exception Form with their reimbursement request. This form must be signed by the employee and their supervisor. The required signatures acknowledge the itemized receipt for the expense was lost, not obtained or not available at the time of purchase.

Department policies that are stricter supersede this policy.

Collective bargaining agreements prevail if any policies conflict.

3.4 Related Forms and Policies

Lake County Purchasing Ordinance
Expense Reimbursement Policy
Policy Exception Form



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APPENDIX A

Examples of purchases that may be processed by Procurement Card provided no service fee is charged, include, but are not limited to:

- (a) Contracted supply vendors, i.e. Staples, Grainger
- (b) Books and subscriptions
- (c) Copyrighted material
- (d) Membership, registration fees, and training, including dog training
- (e) Travel expenses
- (f) Publications – bid, legal, or employment
- (g) US Post Office and other courier services
- (h) Utility type payments for sewer, water, gas, electric, telephone, and garbage collection
- (i) Hospital, Doctor and Dentist Expenses
- (j) Copier lease/maintenance
- (k) Vehicle towing
- (l) Monthly services for portable washroom rental, floor mat rental, pest control
- (m) Catering for meetings and jury lunches
- (n) Annual software licenses and/or maintenance under \$5,000

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