

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: General Services Agency

BOARD AGENDA # \*B-4

Urgent  Routine  *OK*

AGENDA DATE January 13, 2015

CEO Concurs with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:  
Approval of the Revised Stanislaus County Purchasing Card Policy

STAFF RECOMMENDATIONS:  
Approve the revised Stanislaus County Purchasing Card Policy.

FISCAL IMPACT:  
The Purchasing Card Program ensures that internal fiscal controls are examined and strengthened on an ongoing basis. Comparing Fiscal Year (FY) 2007 - 2008 to FY 2013 - 2014, transactions have declined 43.29% from 32,973 to 18,698 annual transactions. Expenditures/purchases have had similar declines over that same period, but were offset by price increases, declining 32.17% from \$5,307,917 in FY 2007 - 2008 to \$3,600,129 in FY 2013 - 2014.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS: No. 2015-22

On motion of Supervisor Chiesa, Seconded by Supervisor Monteith  
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, De Martini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

- 1)  Approved as recommended
- 2)  Denied
- 3)  Approved as amended
- 4)  Other:

MOTION:

ATTEST: Christine Ferraro  
CHRISTINE FERRARO TALLMAN, Clerk

File No.

## Approval of the Revised Stanislaus County Purchasing Card Policy

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### **FISCAL IMPACT: (Continued)**

Comparing FY 2010 – 2011, the last time the Policy was taken to the Board of Supervisors for approval, to FY 2013 – 2014, transactions have increased 4,012 (27.32%) from 14,686 to 18,698 and expenditures/purchases have increased \$1,005,220 (38.74%) from \$2,594,906 to \$3,600,129.

### **DISCUSSION:**

In September 1994, the Board of Supervisors authorized implementation of a countywide credit card program. The first County Credit Card Policy was adopted in January 1995 by Resolution 94-65, with the Policy renamed to the Stanislaus County Purchasing Card Policy in February 2000 by Resolution 2000-138. Since that time, the committee has endeavored to clarify, strengthen, and improve the Stanislaus County Purchasing Card Policy.

#### Recommended Policy Revisions

The December 20, 2011 revision (Resolution #11-784) authorized review of the Policy every three years by the Purchasing Card Committee, to consist of representatives from the GSA Purchasing Division, Auditor-Controller, County Counsel, and a member of the Public at large. The goal was to modify the Policy as needed, based on input from Committee members, share the draft with Department Heads, obtain their feedback, and present the revised Policy to the Board of Supervisors for adoption. The recommended changes were sent to Department Heads on November 24, 2014, with comments due back by December 4. Modifications requested through this process are reflected in the recommended revisions.

The revisions are minor in nature and are shown in the strikethrough version (Exhibit C). They include the addition of delineated duties for the departmental Purchasing Card Clerk; clarification regarding store memberships and credit cards; and the requirement to obtain three quotes on purchases greater than \$1,000 has been eliminated.

Purchases made through the standard Purchase Order process require three bids on items costing more than \$5,000. Departments have found it time consuming to obtain three bids on smaller items and the policy requirement generated an audit requirement to maintain proof of three bids, which generated additional paper and filing requirements. This change brings this policy in line with standard purchasing practice and eliminates unnecessary paperwork.

The revisions recommended in this item remove language of a more procedural nature but do not change the underlying requirements of the Policy. This will allow departments to implement the Policy based on the specific needs and staffing of their department, while maintaining the integrity of the Policy.

## Approval of the Revised Stanislaus County Purchasing Card Policy

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### **POLICY ISSUES:**

The Board of Supervisors' approval of this policy is consistent with the Board's priority of Efficient Delivery of Public Services by providing proper accountability to the Board of Supervisors and the public.

### **STAFFING IMPACT:**

The collective efforts to review and revise this policy included input from the Purchasing Card Committee, County Department Heads, as well as recommendations in response to audits performed by Internal Audit Staff, and was absorbed by current staffing levels.

### **CONTACT PERSON:**

Keith D. Boggs, GSA – Director/Purchasing Agent, 209.525.7602

### **ATTACHMENTS:**

- Exhibit A – Chart of Spending by Merchant Category for Fiscal Year 2013 – 2014
- Exhibit B – Chart of Changes in Number and Total Transactions Fiscal Year 2007 - 2008 Through Fiscal Year 2013 - 2014
- Exhibit C – Stanislaus County Purchasing Card Policy 2014
- Exhibit D – Stanislaus County Purchasing Card Policy 2014, red-line changes

### EXHIBIT A

#### Spending By Merchant Category Code Fiscal Year 2013 - 2014

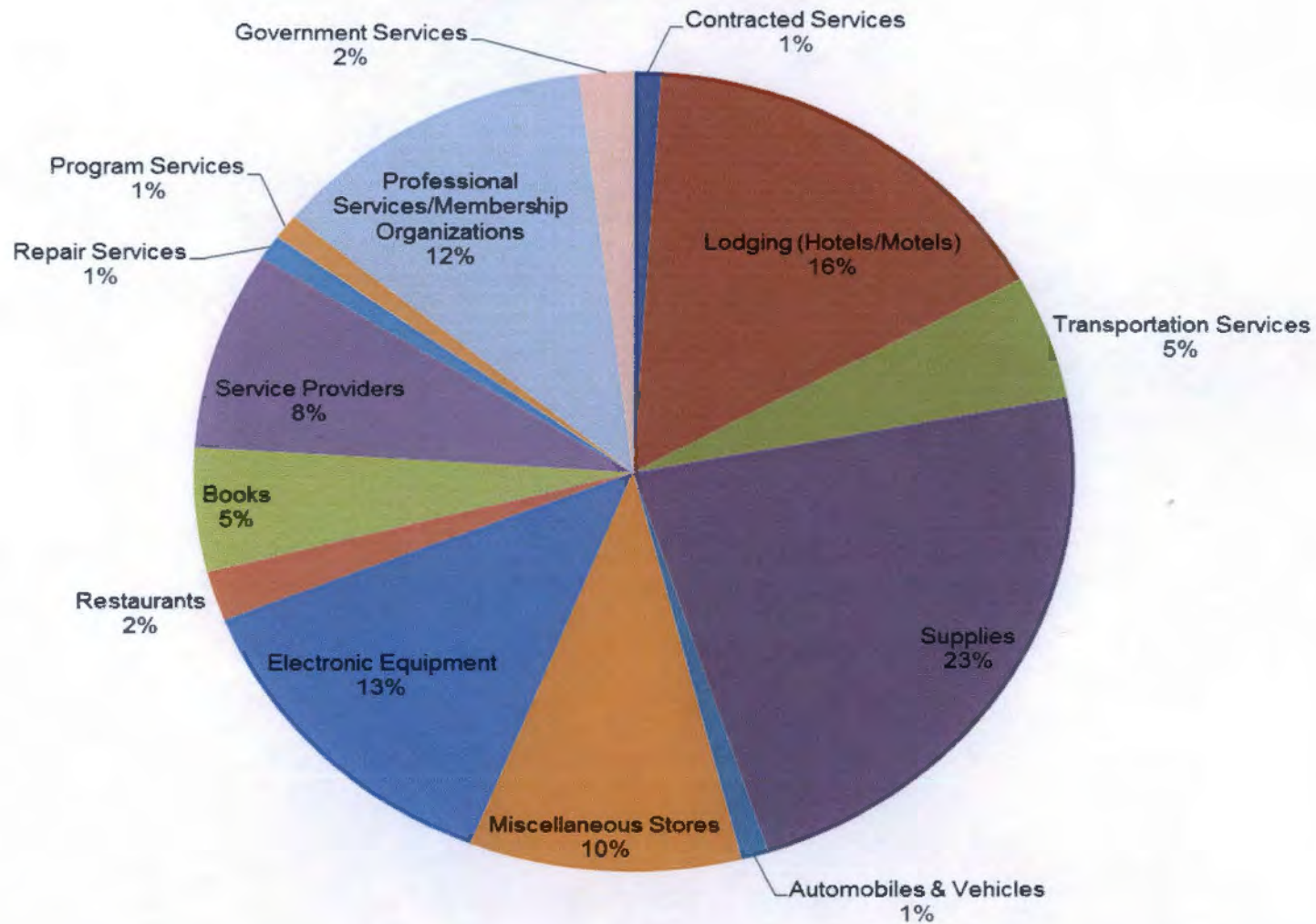


EXHIBIT B

Changes in Number and Total Transactions  
Fiscal Year 2007-2008 Through Fiscal Year 2013-2014



**EXHIBIT C**



**COUNTY OF STANISLAUS  
PURCHASING CARD POLICY**

***Approved by the Stanislaus County  
Board of Supervisors  
on***

**2014 Revisions**

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# 1. INTRODUCTION

## 1.1 BACKGROUND

Per Board Resolution 2003-762, approved by the Board of Supervisors on August 12, 2003, a review will be completed annually by a Purchasing Card Committee, consisting of representatives from the General Services Agency (GSA) - Purchasing Division, Auditor-Controller, County Counsel, and a member of the Public at Large. This committee will be responsible for reviewing the existing policy and making recommendations for revision. The revised policy for 2011 includes recommendations made by the Purchasing Card Committee, including that the County Purchasing Card Policy be reviewed every three years rather than annually. The Purchasing Card Procedures have been separated from the policy to allow for more timely updates, in keeping with software and other procedural changes.

County Department Heads are accountable to the Board of Supervisors and the public for the funds and assets entrusted to them. Each County Department Head is responsible for administering the basic County Purchasing Card Policy in accordance with policy guidelines and any other policies applicable to the purchase of goods and services.

## 1.2 POLICY STATEMENT

The Purchasing Card Program is designed to streamline the purchasing and accounts payable process by reducing the paperwork generated by small dollar, high volume transactions, eliminating the need for purchase orders and facilitating timely procurement of goods and services.

## 1.3 ROLES AND RESPONSIBILITIES

### A. Cardholder:

Each Cardholder shall:

1. Comply with all provisions of the Purchasing Card Policy and those adopted by his/her Department Head or designee (Department Head) governing purchasing cards. Failure to comply may result in disciplinary action, including termination.
2. Maintain security of card and card number.
3. Be responsible for all charges placed on his/her card, except when fraudulent charges have been made by other than the cardholder.
4. Comply with County procurement procedures and policies as issued by the GSA Purchasing Division to ensure the best price is obtained for the County.
5. Obtain credit on the purchasing card from merchant for returned goods or discounts. Cash or gift cards may not be accepted from a merchant as to maintain the transaction integrity.



6. Immediately notify his/her Department Head if the card has been lost, stolen or if it is suspected the card may have been compromised.
7. Maintain notes on actions taken with dates and name of the person spoken to whenever there is a disputed transaction. Assist the County in resolving disputed charges with vendor/Master Card.
8. Return his/her County purchasing cards to his/her department before a cardholder's date of termination.

B. Department Head

Each Department Head shall:

1. Identify their designee in writing and maintain a record of such for five (5) years. Designees shall have the full authority granted to and responsibilities required of Department Heads.
2. Annually, determine the necessity for and establish appropriate limits for all department purchasing cards, including those with limits, approved by the Purchasing Agent, in excess of \$5,000. This annual report shall be signed and dated by the Department Head and maintained with purchasing card records for five (5) years. Assigned department staff has the capability to print or view these reports through the WORKS program. A change in job task, assignment, or transfer to another division may require modification or termination of the purchasing card account.
3. Approve all applications and maintenance forms. Department Head has ultimate authority for all purchasing cards with limits under \$5,000.
4. Ensure that charges incurred by staff against the purchasing card are in compliance with the Purchasing Card Policy and deemed an appropriate use of public funds.
5. Ensure the timely reconciliation of the purchasing card statements.
6. Review all department charges made against purchasing cards each month for appropriateness and authenticity.
7. Request modifications to purchasing card as cardholder duties and responsibilities change. These modifications may include cancellation of card, monthly limit, address and name changes.
8. Request cancellation of purchasing card account upon termination of employment.

C. Purchasing Agent (General Services Agency)

The Purchasing Agent shall:

1. Identify their designee in writing and maintain a record of such for five (5) years. Designees shall have the full authority granted to and responsibilities required of the Purchasing Agent.
2. Coordinate the review of, and updates to, the Purchasing Card Policy with the Purchasing Card Committee.
3. Review and approve issuance of all purchasing card limits equal to, or in excess of, \$5,000, based on the business case presented by the appropriate Department Head.

D. Auditor-Controller

The Auditor-Controller shall:

1. Identify his/her designee in writing and maintain a record of such for five (5) years. Designees shall have the full authority granted to and responsibilities required of the Auditor-Controller.
2. Post charges to department accounts.
3. Issue purchasing cards following approval by Department Head and Purchasing Agent if required.
4. Perform audits on an annual basis whereby departments/agency transactions are audited at a minimum once over a two year time period and provide audit results to each affected Department, Grand Jury, Board of Supervisors and Chief Executive Officer.
5. Cancel purchasing card accounts upon termination of cardholder's employment.
6. Create and maintain the administrative procedures for the day-to-day operation of the Purchasing Card Program in accordance with the Policy and applicable laws and accounting best practices.

E. Purchasing Card Clerk

The Purchasing Card Clerk shall:

1. Be responsible for knowing and understanding all of the Purchasing Card Policy and associated departmental procedures.
2. Be directly responsible for canceling purchasing cards when a cardholder leaves service or a card is lost or stolen. A staff termination, change of duties, or other reason may necessitate cancellation or credit limit modification of a purchasing card.
3. Prepare an accurate and thorough reconciliation of the purchasing card statements, in a timely manner.

F. Purchasing Card Committee

The Purchasing Card Committee shall consist of representatives from the GSA Purchasing Division, Auditor-Controller, County Counsel, and a member of the Public at large. This Committee will be responsible for reviewing the existing policy and making recommendations for revision. A review of the policy will be completed every three years, or as needed should an issue arise.

G. Misuse of Purchasing Card

It is the responsibility of the Department Head to ensure that all purchases are reconciled and approved and that expenditures are appropriate. In the event that misuse is identified:

1. The Department Head will immediately notify the Deputy Executive Officer for Human Resources regarding the misuse.
2. The Deputy Executive Officer will inform the Chief Executive Officer and confer with County Counsel.

3. The Department Head will determine the appropriate disciplinary action after consultation with the Deputy Executive Officer for Human Resources and County Counsel, which may include termination, and may result in criminal prosecution.
4. In all cases, the cardholder is required to reimburse the County.

## **2. POLICIES**

### **2.1 PURCHASING CARD ISSUANCE - AUTHORIZATION**

- A. Department Heads are responsible for ensuring that cardholders in their department utilize the purchasing cards in accordance with this policy.
- B. If necessary to meet the needs of the department, the Department Head may approve assigning more than one purchasing card to a cardholder; however, the cumulative limit of the cards shall not exceed \$5,000 except as authorized by the Purchasing Agent, based on a review of the business need. Cardholders who perform services for other separate legal entities that participate in the Purchasing Card Program are authorized to have more than one card up to the limits approved by each entity and the Purchasing Agent, as needed for cards with limits exceeding \$5,000.
- C. If an entity's board adopts its own purchase limits, the Auditor-Controller's Office will follow those limits when auditing, provided the entity has a written policy in place. Otherwise, the entity must abide by the County's policy and limits.

### **2.2 COORDINATION WITH OTHER COUNTY POLICIES**

County Purchasing Card Policy purchases are to be in accordance with Purchasing Card Policy, Travel Policy, codes, standards, department procedures and any other applicable County policies.

### **2.3 PURCHASING CARD USAGE AND RESTRICTIONS**

- A. Using the Purchasing Card
  1. Purchasing cards may only be used to purchase goods and services costing less than \$5,000 per item, including taxes, shipping, etc., except in the event of an emergency, as defined in County Code 2.52. Departments must assure they are making the most economical purchase that meets their needs as well as the requirements of other interrelated departments. All purchasing card users must follow the GSA Purchasing Division Policies and Procedures Manual.
    - a. Cardholders may **not** 'split' purchases to avoid credit limits or
    - b. County Purchasing Policy limits.

B. Limitations/Restrictions

1. County purchasing card charges are subject to the limitation that sufficient funds are available in the department's budget to cover all charges; the expense provides a public benefit; and is incurred while performing official duties.
2. Allowable charges shall not exceed the approved credit limit established by the Department Head for that specific purchasing card.
3. County purchasing cards must never be used for personal purposes. Should a County purchasing card inadvertently be used for an unallowable purpose, the cardholder shall immediately notify their supervisor and reimburse the County. NOTE: County purchasing card accounts must never be used to represent personal credit worthiness to obtain a personal credit card account.
4. Purchasing card expenditures for spouses, traveling companions, or any unauthorized individual (including travel expenses for airline tickets, meals, hotel accommodations, etc.) are prohibited.
5. County purchasing cards must never be used to receive cash advances.
6. Cardholders are cautioned not to carry his/her County purchasing card during off duty hours (e.g., on vacation).
7. A cardholder may not lend his/her assigned County purchasing card to another individual for his/her use. One cardholder may charge County business items on their card for another County employee, such as hotel or airline reservations, conference registrations, or County-related meals.
8. County purchasing cards are not to be used to purchase fuel for private vehicles except where exempt by contract. Payroll reimbursement for mileage covers private vehicle use, according to the County Travel Policy limits and guidelines.
9. County purchasing cards may be used to fuel rental vehicles when a cardholder is using the rental vehicle for official County business and a participating Card Lock Fuel Program station is not available.
10. For motor pool or department-owned vehicles, participating County Card Lock Fuel Program stations should be utilized to purchase fuel in order to reduce County costs. Purchasing cards may be used if there is not a Card Lock Program station available.
11. Transactions of Department Heads and elected officials will be subject to audit by the Auditor/Controller's Office and the results will be reviewed by the Chief Executive Officer and/or the Board of Supervisors. The Chief Executive Officer and/or the Board of Supervisors, at their discretion, may review Purchasing Card use by the Department Heads and elected officials at any time.
12. Intentional misuse of a County purchasing card may result in disciplinary action, including termination, and may result in criminal prosecution.
13. To mitigate any appearance of a conflict of interest, employees are not to make County purchases at an O'Brien's Market. This provision does not include any personal purchases employees make at any of these stores.

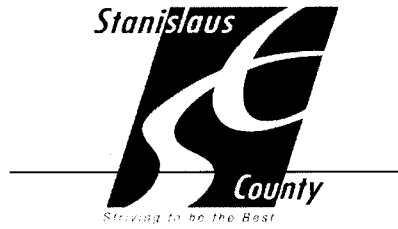
## **2.4 COUNTY ASSETS**

All purchases of County assets and inventoriable equipment must comply with the Auditor-Controller Capital Asset Inventory policy.

## **2.5 UNAUTHORIZED CREDIT CARDS**

Individuals and departments are not to apply for credit cards in the County or department's name, except as authorized by the Board of Supervisors.

EXHIBIT D



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**COUNTY OF STANISLAUS**

**PURCHASING CARD POLICY**

***Approved by the Stanislaus County  
Board of Supervisors***

*on December 20, 2011  
Resolution #2011-784*

2011

**2014 Revisions**

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# 1. INTRODUCTION

## 1.1 BACKGROUND

Per Board Resolution 2003-762, approved by the Board of Supervisors on August 12, 2003, a review will be completed annually by a Purchasing Card Committee, consisting of representatives from the General Services Agency (GSA) - Purchasing Division, Auditor-Controller, County Counsel, and a member of the Public at Large. This committee will be responsible for reviewing the existing policy and making recommendations for revision. The revised policy for 2011 includes recommendations made by the Purchasing Card Committee, including that the County Purchasing Card Policy be reviewed every three years, rather than annually. The Purchasing Card Procedures have been separated from the policy to allow for more timely updates, in keeping with software and other procedural changes.

County Department Heads are accountable to the Board of Supervisors and the public for the funds and assets entrusted to them. Each County Department Head is responsible for administering the basic County Purchasing Card Policy in accordance with policy guidelines and any other policies applicable to the purchase of goods and services being purchased.

## 1.2 ~~1.2~~ POLICY STATEMENT

The ~~purchasing card program~~ Purchasing Card Program is designed to streamline the purchasing and accounts payable process by reducing the paperwork generated by small dollar, high volume transactions, eliminating the need for purchase orders and facilitating timely procurement of goods and services.

## 1.3 ROLES AND RESPONSIBILITIES

### A. Cardholder:

Each Cardholder shall:

1. Comply with all provisions of the Purchasing Card Policy and those adopted by ~~you~~ his/her Department Head or designee (Department Head) governing ~~Purchasing Cards.~~ (purchasing cards. Failure to comply may result in disciplinary action, including termination.)
2. Maintain security of card and card number.
3. Be responsible for all charges placed on his/her card, except when fraudulent charges have been made by other than the cardholder.
- ~~3.4.~~ Comply with County procurement procedures and policies as issued by the GSA Purchasing Division to ensure the best price is obtained for the County.



- 4.5. Obtain credit on the purchasing card from merchant for returned goods or discounts. Cash or gift cards may not be accepted from a merchant as to maintain the transaction integrity.
- 5.6. Immediately ~~report to you~~ notify his/her Department Head if the card has been lost, stolen or you believe if it is suspected the card may have been compromised.
- 6.7. Maintain notes on actions taken with dates and name of the person spoken to whenever there is a disputed transaction. Assist the County in resolving disputed charges with vendor/Master Card.
8. Return his/her County purchasing cards to his/her department before a cardholder's date of termination.

B. Department Head

~~The~~ Each Department Head shall identify:

1. Identify their designee in writing and maintain a record of such for five (5) years. Designees shall have the full authority granted to and responsibilities required of Department Heads.
2. Annually, determine ~~need and limit~~ the necessity for and establish appropriate limits for all department Purchasing Cards purchasing cards, including those with limits, approved by the Purchasing Agent, in excess of \$5,000. This review annual report shall be signed and dated by the Department Head, then and maintained with Purchasing Card purchasing card records for five (5) years. Assigned department staff has the capability to print or view these reports through the WORKS program. A change in job task, assignment, or transfer to another division may require modification or termination of the purchasing card account.
3. Approve all applications and maintenance forms. Department Head has ultimate authority for all purchasing cards with limits of less than under \$5,000.
4. Ensure that charges incurred by staff against the Purchasing Card purchasing card are in compliance with the Purchasing Card Policy and deemed an appropriate use of public funds.
5. Ensure the timely reconciliation of the Purchasing Card purchasing card statements.
6. Review all department charges made against Purchasing Cards purchasing cards each month for appropriateness and authenticity.
7. Request modifications to Purchasing Card purchasing card as cardholder duties and responsibilities change. These modifications may include cancellation of card, monthly limit, address and name changes.
8. Request cancellation of Purchasing Card Account purchasing card account upon termination of employment.

C. Purchasing Agent (General Services Agency)

The Purchasing Agent shall identify:

1. Identify their designee in writing and maintain a record of such for five (5) years. Designees shall have the full authority granted to and responsibilities required of the Purchasing Agent.
2. Coordinate the review of, and updates to, the Purchasing Card Policy with the Purchasing Card Committee.
3. ~~Approve~~Review and approve issuance of all ~~Purchasing Card~~ purchasing card limits of ~~\$5,000~~ equal to, or more, including those instances when ~~more than one card is assigned to a cardholder, resulting in a cumulative limit of \$5,000 or more.~~
- 4.3. ~~Maintain the listing~~excess of Master Agreements posted, \$5,000, based on the Stanislaus County intranet site. business case presented by the appropriate Department Head.

D. Auditor-Controller

The Auditor-Controller shall identify their:

1. Identify his/her designee in writing and maintain a record of such for five (5) years. Designees shall have the full authority granted to and responsibilities required of the Auditor-Controller.
2. Post charges to department accounts.
3. Issue ~~Purchasing Cards~~purchasing cards following approval by Department Head and Purchasing Agent if required.
4. Perform audits on an annual audit of Purchasing Card Program providing basis whereby departments/agency transactions are audited at a minimum once over a two year time period and provide audit results to the each affected Department, Grand Jury, and Board of Supervisors. and Chief Executive Officer.
5. Cancel ~~Purchasing Card~~ purchasing card accounts upon termination of cardholder's employment.
6. ~~Annually, create~~Create and maintain the administrative procedures for the day-to-day operation of the Purchasing Card Program in accordance with the policy Policy and applicable laws and accounting best practices.

E. Purchasing Card Clerk

The Purchasing Card Clerk shall:

1. Be responsible for knowing and understanding all of the Purchasing Card Policy and associated departmental procedures.
2. Be directly responsible for canceling purchasing cards when a cardholder leaves service or a card is lost or stolen. A staff termination, change of duties, or other reason may necessitate cancellation or credit limit modification of a purchasing card.
3. Prepare an accurate and thorough reconciliation of the purchasing card statements, in a timely manner.

E.F. Purchasing Card Committee

~~A review will be completed every three years, or as needed should an issue arise, by a~~The Purchasing Card Committee, ~~which will shall~~ consist of representatives from the GSA Purchasing Division, Auditor-Controller, County Counsel, and a member of the Public at large. This ~~committee~~Committee will be responsible for reviewing the existing policy and making recommendations for revision. A review of the policy will be completed every three years, or as needed should an issue arise.

F.G. Misuse of Purchasing Card

It is the responsibility of the Department Head to ensure that all purchases are reconciled and approved and that expenditures are appropriate. In the event that misuse is identified:

1. The Department Head will immediately notify the Deputy Executive Officer for Human Resources regarding the misuse.
2. The Deputy Executive Officer will inform the Chief Executive Officer and confer with County Counsel.
3. The Department Head will determine the appropriate disciplinary action after consultation with the Deputy Executive Officer for Human Resources and County Counsel, which may include termination, and may result in criminal prosecution.
4. In all cases, the cardholder is required to reimburse the County.

## 2. POLICIES

### 2.1 PURCHASING CARD ISSUANCE - AUTHORIZATION

- A. Department Heads are responsible for ensuring that cardholders in their department utilize the ~~Purchasing Cards~~purchasing cards in accordance with this policy.
- B. If necessary to meet the needs of the department, the Department Head may approve assigning more than one ~~Purchasing Card~~purchasing card to a cardholder; however, the cumulative ~~amount~~limit of the cards shall not exceed \$5,000 ~~per monthly use basis, unless~~except as authorized by the Purchasing Agent, based on a review of the business need. ~~Cardholders who sit on outside boards (Retirement, etc.)~~perform services for other separate legal entities that participate in the Purchasing Card Program are authorized to have more than one card up to the limits approved ~~limits for~~by each entity and the Purchasing Agent, as needed for cards with limits exceeding \$5,000.
- C. If ~~another~~an entity's board adopts ~~their~~its own purchase limits, the Auditor-Controller's Office will follow those limits when auditing, provided the entity has a written policy in place. Otherwise, ~~they~~the entity must abide by the County's policy and limits.

## 2.2 COORDINATION WITH OTHER COUNTY POLICIES

~~The County Purchasing Card Policy purchases are to be in accordance with Purchasing Card Policy guidelines and any other County policies applicable to the goods and services being purchased, including, but not limited to:~~

- ~~A. County, Travel Policy, with respect to travel expenses;~~
- ~~B. Applicable safety, codes, standards and codes;~~
- ~~C. County standards for radio communication equipment; Departments are encouraged to contact Stanislaus Regional 911 prior to purchasing to ensure compliance~~
- ~~D. County technology standards for purchase of computers, printers, and other peripheral equipment, cellular phones and telephone equipment, and software;~~
- ~~E. The County Code of Ethics, approved by Resolution #2005-675 on August 23, 2005, as they pertain to purchasing of goods and services.~~

~~Contracting, public works, or uniform accounting, department procedures, and any other applicable County policies.~~

## 2.3 PURCHASING CARD USAGE AND RESTRICTIONS

### A. Using the Purchasing Card

- ~~1. County Purchasing Cards cards may only be used to purchase goods and services costing less than \$5,000 per item, including taxes, shipping, etc., except in the event of an emergency, as defined in County Code 2.52. Departments must assure they are making the most economical purchase that meets their needs as well as the requirements of other interrelated departments. All County Purchasing Card purchasing card users must follow the GSA Purchasing Division Policies and Procedures Manual and Customer Service Guide.~~
- ~~2. Cardholders Items costing \$5,000 or more may **not** be 'split' between multiple charges and/or cards 'split' purchases to avoid credit limits or asset limit policies.~~
- ~~3. Additional Purchasing Guidelines are as follows:~~

- a. ~~Cardholders shall obtain a minimum of three competitive quotes on all items exceeding \$1,000, when possible or reasonable. Quotes shall be supported by written documentation and maintained by the department for 5 years.~~
- b. ~~Cardholders shall consult with the GSA Purchasing Division prior to purchasing goods or services with a County Purchasing Card to see what may already be arranged through contracts that could be more cost effective (greater discounts). Use GSA Purchasing Division contracts when they exist except in cases of emergency as provided for in the County Ordinance Policy limits.~~
- c. ~~The County has entered into master purchasing agreements with specific office supply companies. Currently, these purchasing agreements are with:~~

~~\_\_\_\_\_ Independent Stationers/Warden's Office Supply  
\_\_\_\_\_ Staples~~

~~Purchasing card purchases of office supplies should be limited to the above office supply vendors. If the Department required product is not available, or a lower cost, substitutable product is available from an alternative vendor, subsequent to the purchase, the Department is to contact GSA Purchasing so the master purchasing agreement product/price list can be negotiated.~~

- d. ~~Cardholders shall identify themselves as a representative of Stanislaus County to receive government discount pricing.~~

**B. Limitations/Restrictions**

- 1. ~~County Purchasing Card~~purchasing card charges are subject to the limitation that sufficient funds are available in the department's budget to cover all charges;~~;~~; the expense provides a public benefit ~~and is in accordance with the County Travel Policy and County Ordinance;~~; and is incurred while performing official duties.
- 2. Allowable charges shall not exceed the approved credit limit established by the Department Head for that specific purchasing card.
- 3. ~~County Purchasing Cards~~purchasing cards must never be used for personal purposes. Should a ~~County Purchasing Card~~purchasing card inadvertently be used for an unallowable purpose, the cardholder shall immediately notify their supervisor and reimburse the County. NOTE: ~~County Purchasing Card~~purchasing card accounts must never be used to represent personal credit worthiness to obtain a personal credit card account.

4. Purchasing Card expenditures for spouses, traveling companions, or any unauthorized individual (including travel expenses for airline tickets, meals, hotel accommodations, etc.) are prohibited.
5. County Purchasing Cards purchasing cards must never be used to receive cash advances.
6. Cardholders are cautioned not to carry the his/her County Purchasing Card purchasing card during off duty hours (i.e.g., on vacation).
7. A cardholder may not lend their his/her assigned County Purchasing Card purchasing card to another individual for their his/her use. One cardholder may charge County business items on their card for another County employee, such as hotel or airline reservations, conference registrations, or County-related meals. If a cardholder delegates another employee to make purchases on the cardholder's card, the cardholder is still responsible for all charges placed on their card.
8. County Purchasing Cards purchasing cards are not to be used to purchase fuel; for private vehicles except where exempt by contract. Payroll reimbursement for mileage covers private vehicle use, according to the County Travel Policy limits and guidelines.
9. County Purchasing Cards purchasing cards may be used to fuel rental vehicles when a cardholder is using the rental vehicle for official County business and a participating Card Lock Fuel Program station is not available.
10. For motor pool or department-owned vehicles, participating County Card Lock Fuel Program stations should be utilized to purchase fuel in order to reduce County costs. Purchasing Cards cards may be used if there is not a Card Lock Program station available.
11. All Purchasing Card charges are subject to annual audit requirement.
- 12.11. Transactions of Department Head Heads and Elected Officials transaction selected officials will be subject to audit by the Auditor/Controller's Office and the results will be reviewed by the Chief Executive Officer and/or the Board of Supervisors. The Chief Executive Officer and/or the Board of Supervisors, at their discretion, may review Purchasing Card use by the Department Heads and Elected Officials selected officials at any time.
- 13.12. Intentional misuse of a County Purchasing Card purchasing card may result in disciplinary action, including termination, and may result in criminal prosecution.
- 14.13. To mitigate any appearance of a conflict of interest, employees are not to make County purchases at an O'Brien's Market. This provision does not include any personal purchases employees make at any of these stores.

## 2.4 COUNTY ASSETS

All purchases of County assets and inventoriable equipment must comply with the Auditor-Controller Capital Asset Inventory policy.

## **~~2.5 REVIEW/CLOSING OF ACCOUNTS~~**

- ~~A. A review of the purchasing cards assigned to a department should be reviewed by the Department Head at a minimum on an annual basis. **2.5** Assigned department staff has the capability to print or view these reports through the WORKS program. A change in job task, assignment, or transfer to another division may require modification or termination of the Purchasing Card account.~~
- ~~B. Cardholders must return their County Purchasing Cards to the respective department before a cardholder's date of termination.~~
- ~~C. Departments are directly responsible for canceling Purchasing Cards when a cardholder leaves service or a card is lost or stolen. A staff termination, change of duties, or other reason may necessitate cancellation or credit limit modification of a Purchasing Card.~~

## **~~2.6 COSTCO MEMBERSHIPS AND CREDIT CARDS~~**

- ~~A. County departments, with Department Head approval, may apply for a business membership with Costco Wholesale. Purchases made at Costco outlets with department memberships are restricted to business use only. Personal purchases are not allowed. Departments are responsible for submitting claims to pay off their Costco Credit Card balances in a timely manner to avoid interest charges.~~
- ~~B. This Purchasing Card Policy applies to the use of Costco Credit Cards. Issuance, maintenance, and cancellation are the responsibility of the department approving the card. Costco American Express cards are not allowed.~~

## **~~2.7 UNAUTHORIZED CREDIT CARDS~~**

~~Individuals and departments are not to apply for credit cards in the County or department's name, except for the Costco Membership and credit card, or as authorized by the Board of Supervisors.~~