

WCHO		<i>Policy and Procedure</i>	
		<i>Procurement P-Card Policy</i>	
Department: Author:		Local Policy Number (if used)	
Revision Date	Approval Date	Implementation Date	
	9/19/06		
Archive Information			
Date:			
Reason:			

I. PURPOSE

To establish policy and procedure for the use and issuance of procurement cards to authorized personnel for the purchase of goods and services while on official business for Washtenaw Community Health Organization (WCHO) only. The card may be used for **only** authorized expenditures approved by the department head or authorized representative. Failure to obtain proper authorization will result in the cancellation of the individual's procurement card.

II. POLICY

It is the policy of the WCHO to provide procurement cards as a supplement to purchase orders and other procurement techniques. Procurement cards are not intended to replace expense reports and/or travel advances. The procurement card is a payment mechanism designed to reduce administrative costs associated with authorizing, paying, tracking and reconciling small dollar purchases, while maintaining effective control. This card program will significantly reduce the procurement cycle time by streamlining the purchasing process and reducing paperwork. Whenever possible, the regular purchasing process should be followed. Anyone requesting a procurement card purchase will need to substantiate why the regular purchasing process could not be used for that purchase.

The Cardholder Guide provides information about the process, the types of purchases that should be made with the card and the types that should not. It also provides information on the records that must be maintained and reconciled for each cycle and other cardholder policies.

CARD USES: Generally, your card may allow purchases of the following items:

Allowable:

- Printing and Binding/Publications
- Office supplies
- Food, soft drinks, coffee/tea, supplies for business meetings

Purchases Disallowed:

- Any item exceeding \$500 in value**
- Cash advances
- Cash refunds
- Any merchant, product, or service normally considered inappropriate use of County funds
- Capital equipment
- College education reimbursement through the County educational assistance program
- Meals, and other related Business Expense Reimbursement report items
- Services performed by an individual; i.e. 1099 vendors

**Multiple charges must not be made in order to avoid the limitations set. Your department may reduce this limit if desired unless approved by your manager.

Blocked:

The following transactions have been blocked from usage:

Cash	Massage Parlors
Drinking Establishments & Liquor Stores	Casinos
Para mutual Betting	Pawn Shops
Dating & Escort	Jewelry Stores
Furriers & Fur Shops	Colleges

Changes to Cardholder Information

1. Changes to a cardholders name, address or agency should be immediately reported by memo to the Executive Director of the WCHO who will assign the card to another person.
2. If the cardholder leaves employment of WCHO, the Department Manager must return the procurement card to the WCHO Executive Director prior to the termination/transfer of the staff person leaving.

Department Manager and Signers of Procurement Card Statements

Department managers must ensure the integrity of all purchases, bookkeeping requirements, and adherence to all purchasing and accounting policies assuring that all purchases are accurate, were made for the benefit of WCHO and are void of any fraud and/or misuse of county funds.

Limits/Restrictions

Monthly Dollar Limit - The total monthly dollar value of transactions on each procurement card will not exceed \$1,000. Any increase in this amount requires prior approval of the Executive Director.

Transaction Limit - Each transaction or daily total may not exceed \$500.

Merchant Category Codes - Specific Merchant Category Codes may either be blocked or enabled on your card. Once established, the Card will reject purchases that are not consistent with your individual limits.

General Conditions

The procurement card is a supplement to other purchasing procedures such as purchase orders. As with the other purchasing methods, the following conditions must be met when using your procurement card.

1. Each single purchase may be comprised of multiple items, but the daily total cannot exceed \$500.
2. Cardholders must follow normal budgetary control procedures to ensure that sufficient funds are available prior to making any purchase.
3. Use of the procurement card does not relieve the cardholder from complying with Federal, State and City ordinances, regulations, policies and procedures. If you have any questions about purchasing procedures, please contact the Purchasing Division.
4. Use of the procurement card is not intended to replace effective procurement planning which enable volume discounts.
5. Purchases must not be split to circumvent procurement regulations. Under no circumstances should a transaction be split into two separate receipts to bypass the single transaction dollar limit. If you have an unusual or one-time purchase that exceeds your dollar limit, contact your supervisor/department head and they should contact the Purchasing Division. Cards may be revoked for misuse or noncompliance with procedures. Please refer to your Employee Procurement Card Agreement for more information.

III. APPLICATION

This policy applies to all staff of the WCHO. Types of transactions allowed under this policy are limited to supplies. The procurement card may be used for purchases of individual items up to \$500 in value. The total monthly dollar value of the transactions on each procurement card may be set up to \$1,000 by the Purchasing Manager. Any increase in the procurement card dollar value over \$1,000 in a given month must be pre-approved by the employee's department head.

It is the responsibility of the Executive Director of the WCHO to approve the issuance of procurement cards issued in the WCHO's name.

IV. DEFINITIONS

Authorized Signer: An employee of WCHO who has the authority to sign off for purchases made under any given business unit.

Cardholder: An employee who has been approved by the WCHO Executive Director to receive a procurement card.

Procurement Card Administrator: The employee designated by the WCHO Finance Director to oversee the administration of the Procurement Card functions as delineated by the Washtenaw County Procurement Card Handbook.

V. STANDARDS

None

VI. EXHIBITS

- A: Procurement Card Purchase Request Form
- B: Procurement Card flowchart
- C: Procurement Card Responsibility: A Breakdown By Business Unit
- D: WCHO Authorized Signature List

VII. REFERENCES

- A. Washtenaw County Procurement Card Handbook
- B. Washtenaw County User Agreement

VII. PROCEDURES

<u>WHO</u>	<u>DOES WHAT</u>
Cardholder	<p>Carefully review the monthly Statement for accuracy.</p> <p>Attach copies of all receipts to the statement. All original receipts must be sent downtown no earlier than the 8th of each month and must be received by the 15th of each month.</p> <p>Sign the Procurement Card Transaction Summary and forward it the Procurement Card Administrator. If you have returned an item purchased, attach the credit voucher to the statement on which the credit appears.</p> <p>If you are charged for an item incorrectly, you should first contact the merchant and try to resolve the issue. If the merchant agrees that an error has been made, they will credit the account. Verify the credit has occurred the following month. Provide a complete explanation of the error on a memo accompanying the statement to Accounts Payable.</p> <p>If the merchant refuses to issue a credit voucher prepare a memo to your Department Manager explaining the problem and forward it to the procurement card administrator. Comerica</p>

must be notified within 60 days of the statement date. The bank will research the disputed item. Disputes will be resolved by the bank within 90 days.

If you will not be available to sign your Procurement Card Transaction Summary because of leave or travel, forward all sales receipts and credit vouchers to your department head prior to your leaving. When you return, sign the original Statement of Account and forward it to your department head.

Person Requesting
Procurement Card Purchase

If purchase is less than \$500, complete the Procurement Card Purchase Request Form and submit to the person who is authorized to sign for that business unit (see Attachment D, "WCHO Authorized Signers List").

When approval is received by the Authorized Signer, submit Request Form to your Authorized Procurement Cardholder identified by your business unit (See Attachment C, "Procurement Card Responsibility: A Breakdown By Business Unit."

Must schedule time, date and location to make purchase with Authorized Procurement Cardholder.

Items purchased will be *only* those items authorized on the Procurement Card Purchase Request Form.

Cardholder

Makes purchase, making sure to bring along the notice of the WCHO's tax-exempt status so that no sales taxes are charged to or paid for by the Procurement Card.

Requests an itemized receipt for all purchases.

Writes on the receipt the event/meeting name and date.

Attaches original itemized receipt to the Procurement Card Purchase Request Form. Makes sure that correct business unit to be charged for each purchase is clearly delineated on each Procurement Card Purchase Request Form.

Attaches all Procurement Card Purchase Request Forms and receipts to the signed monthly purchase log and submits to Procurement Card Administrator no later than the 5th date of each month.

Procurement Card
Administrator

Receives monthly statement of account from Purchasing no later than the fifth day of each month.

Receives signed monthly Procurement Card purchase logs from Cardholders, along with original receipts and Procurement Card Purchase Request Forms.


Reconciles monthly statement against monthly Procurement Card purchase logs.

WCHO Accounts Payable

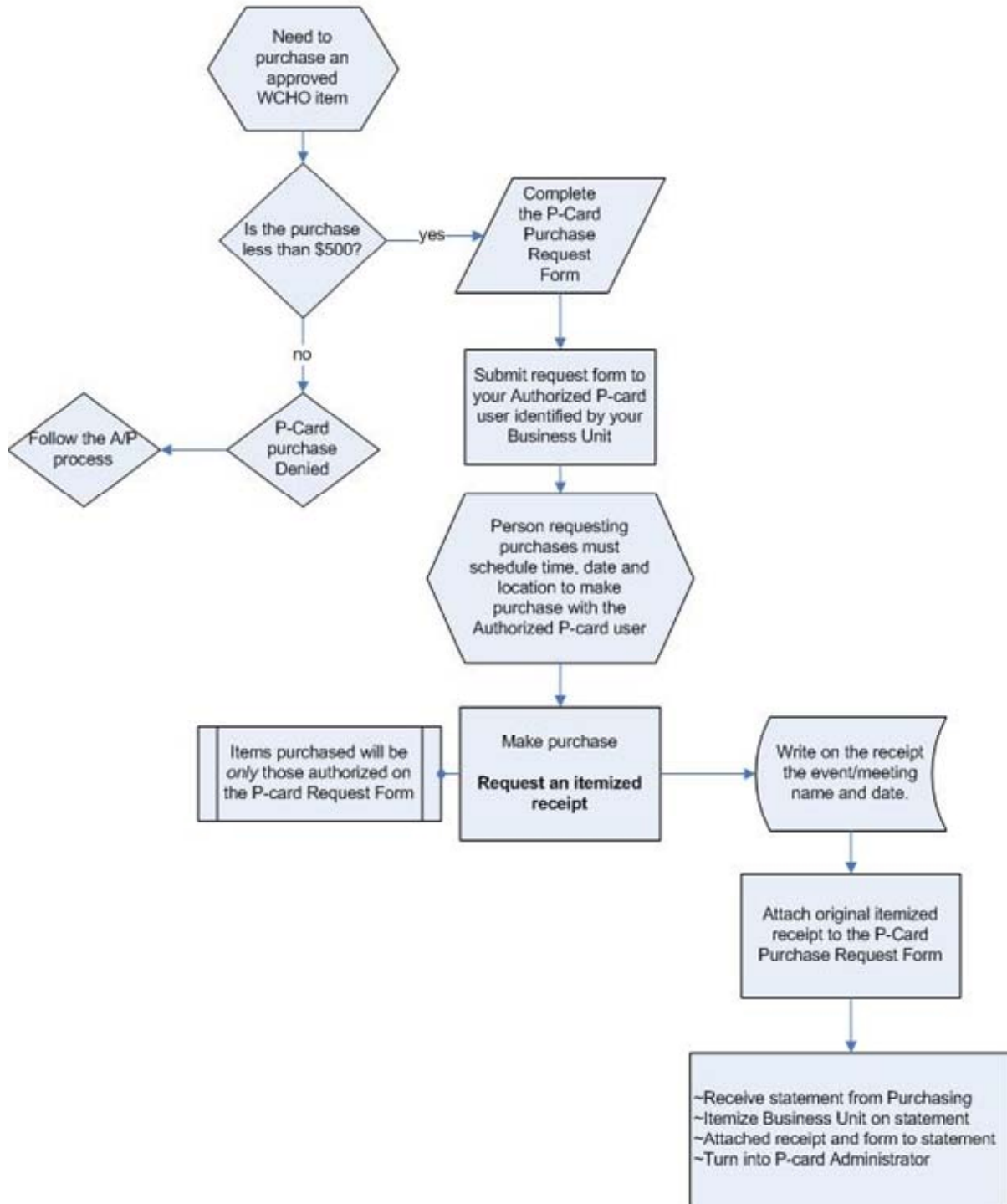
Submits payment request/voucher to WCHO Accounts Payable no later than the 10th day of each month.

Enters bill into JDE and creates voucher to be mailed/faxed to downtown Accounts Payable in order for the to process and pay Comerica Bank by the final published due date.

See separate attachment – Page 14

 <p>washtenaw community health organization</p>	<p><i>P-Card Purchase Request Form</i></p>
--	--

Procurement Card Flow Chart Process (P-Card)



WCHO Procurement Card Policy

ATTACHMENT C:

Responsibilities of BU's by Procurement Cardholder

Administration (Suzanne Gondek)	Regional Performance Improvement (Jeanette Kearney)	Member Services (Doris Peoples)
<i>Responsible for:</i>	<i>Responsible for</i>	<i>Responsible for</i>
2101 Administration 2301 Rights 3101 Access - General 3103 UR 3104 Inpatient/Hospital 3016 Court Services 3311 Integrated Healthcare	2103 QI 2401 Regional 7102 Sub Abuse	2102 PRU 2103 IM 2201 Finance 2105 Member Services

WCHO Authorized Signature List							
As of:	<i>Employee Reimbursements</i>	<i>Accounts Payable</i>	<i>P-Card Requests</i>	<i>Printing Requests</i>	<i>Trainings and/or Conferences</i>	<i>Contracts</i>	<i>Supply Requests and Supplier Invoices for specific Bu's</i>
[signature]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	All
Kathleen Reynolds							
[signature]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	All
Linda Brown							
[signature]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	All
Steven Sheldon							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	2105
Sally Amos							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	3308
Jeff Capobianco							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	2102
Kelly Gauthier							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	3101-3106 and 7101 and 7223
Markeeta Graban							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	2104
Michael Harding							
[signature]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	2201
Marie Irwin							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	3309-3314
Virginia Koster							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	2104
Jeremy Nelson							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	2301
Shane Ray							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	2103 and 2401
Shauna Reitmeier							

[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	All Sub Abuse
Marci Scalera							
[signature]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	2201
Laura Shue							
[signature]	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	No	2301
Denice Virgo							



washtenaw community
health organization

P-Card Purchase Request Form

Person Requesting:	Date Requested:	Date Required:

Quantity	Description	BU& Account to Charge	Estimated Cost

Reason for Purchase:

1. This form should only be used when the regular accounts payable process does not fit the need – food for meetings, on-line purchases etc. It is not meant to circumvent the established A/P process.
2. Fill out all fields on the form and have manager/supervisor sign off. Please be clear about what you are requesting to be purchased.
3. Allow ten business days notice between requested date and date required.

Approved:

Denied:

Reason for Denial:

4. If you do not know your business unit and account number finance staff can assist.
5. Please be prepared to go to point of purchase with card holder to assist with handling.

Authorized Signature

Date