

**SALT LAKE COUNTY
COUNTYWIDE POLICY ON
PURCHASING CARDS AUTHORIZATION AND USE**

Purpose

The purpose of this policy is to establish guidelines and procedures for the issuance, authorization, and use of the county purchasing cards (PCards) by county agencies, including who may obtain a PCard, permissible and prohibited expenditures, reconciliation, credit limits, and safeguarding of PCards.

Policy

County agencies may designate employees as authorized PCard holders to facilitate business-related purchases that are authorized within this policy and referenced policies. PCards may be used for payment for small cost transactions or other purchases authorized by the county purchasing agent.

The objectives of this policy are to specify permitted and prohibited PCard expenditures, including circumstances that require special authorization, to establish standard procedures for using the county PCard and reconciling transactions, and to outline general exceptions to this policy.

I. References

- A. Countywide Policy 1019 Travel-Authorization and Payment of Travel Related Expenses
- B. Countywide Policy 1020 County Meals
- C. Countywide Policy 1202 Authorization and Processing of Certain Payments
- D. Countywide Policy 1203 Petty Cash and Other Imprest Funds
- E. Countywide Policy 1350 Vehicle Policy
- F. Countywide Policy 7010 Procurement
- G. Countywide Policy 7021 Small Cost Purchasing Procedures
- H. Countywide Ordinance 3.20 Purchasing Procedures

II. Definitions

- A. **County Agency (Agency)** – Any elected office, executive branch department, division, or other subdivision of county government.
- B. **County Agency Management (Agency Management)** – With respect to their own individual offices or departments, any of the following or their designees: county mayor, county executive department directors, county elected officials, and division administrators.
- C. **Cardholder Agreement** – The agreement entered into between the cardholder and the county setting forth terms and conditions for use of the PCard by the cardholder.
- D. **Designee** – A designated employee that manages responsibilities on behalf of agency management.
- E. **Purchasing Agent** – As defined by county Ordinance 3.16.030, the director of the division of Contracts & Procurement shall be the purchasing agent for the county.
- F. **Purchasing Card (PCard)** – A charge card to be used for the payment of goods and services.
- G. **Purchasing Cardholder (Cardholder)** – A county agency-designated employee authorized to use a PCard to facilitate the payment process for goods and services.

- H. **Purchasing Card Approver (Approver)** – A county agency-designated employee assigned to review and approve assigned cardholder transactions in the PCard system.
- I. **Purchasing Card Issuer (Issuer)** – A bank or financial institution that issues PCards and maintains records of PCard transactions cardholders.
- J. **Purchasing Card Program Administrator (Program Administrator)** – An employee(s) designated by the Division of Contracts and Procurement to coordinate and administer the authorization and use of county PCards for all county agencies.
- K. **Third Party Payment Processor** – A service that accepts online payments and on behalf of a vendor or person. Examples are Venmo, Cash App, Square, and PayPal.

1.0 Obtaining a PCard

- 1.1 County agencies will identify and authorize positions or employees that may benefit from having a PCard. Temporary employees employed by the county may obtain a PCard, with agency management authorization. Division/department directors may obtain a PCard with written approval from the county mayor. Elected and appointed officials may obtain a PCard after notifying the purchasing agent consistent with this policy.
- 1.2 The Purchasing Card Authorization Form submitted shall include the legal name of the authorized cardholder, who is solely responsible for its safeguarding and use.
- 1.3 The Purchasing Card Authorization Form shall indicate the single-transaction and monthly billing cycle credit limits, and the default accounting string for cardholders. All credit limits and defaults are designated by the agency and may not exceed the established small cost limit unless authorized by the purchasing agent.
- 1.4 The Purchasing Card Authorization Form must be signed by the cardholder's supervisor, fiscal manager, and agency management.
- 1.5 The cardholder and their approver shall attend PCard training provided by the PCard Program Administrator. The cardholder and approver(s) shall attend a mandatory refresher training every other year while their PCard is active.
- 1.6 No PCard will be issued until the cardholder and approver(s) have attended assigned training and the Cardholder Agreement is signed.
- 1.7 The Cardholder Agreement shall be reviewed and signed bi-annually by the cardholder. Contracts and Procurement will retain record of all employee agreements for the county.
- 1.8 All cardholder training materials and usage guidelines related to the use and management of a county PCard are, by reference, incorporated as part of this policy, and shall be reviewed, understood, and followed by the cardholder, their approver, and the agency fiscal manager prior to use.

2.0 Using the PCard

- 2.1 Upon receipt of the PCard, the cardholder shall immediately sign the back of the card and activate it.
- 2.2 The cardholder shall be responsible for authorized and allowable use of the PCard.
- 2.3 The cardholder shall be responsible for safeguarding the PCard. If the Pcard is not in the cardholder's physical possession, it shall be in a secured location.
- 2.4 Permitted purchases, as defined in Section 3.0, may be made in-store, by mail, by telephone, fax, or online.
- 2.5 The full card number of the PCard shall be protected by the cardholder, and shall not be shared through email, fax, or any unsecured online portal.
- 2.6 Any additional fees, including transaction, shipping, and processing fees, charged by a vendor are permitted at the agency's discretion.
- 2.7 Any refund or transaction credit that is issued should be credited back to the county PCard and documented. Credits or refunds shall not be given in cash, check, or on a gift card.
- 2.8 Cardholders will comply with all PCard training documents provided by the PCard Program Administrator and the cardholder's agency.

3.0 Permitted PCard Uses

- 3.1 Small Cost Purchases. Use of a PCard for transactions covered by *Countywide Policy 7021: Small Cost Purchasing Procedures* is permitted.
- 3.2 Reoccurring Payments. Use of a PCard to pay for automated reoccurring payments is permitted.
- 3.3 Meal Payments. Use of a PCard for transactions allowed by *Countywide Policy 1020: County Meals* is permitted.
- 3.4 Travel Expenses. Use of a PCard for transactions permitted by *Countywide Policy 1019: Authorization and Payment for Travel-Related Expenses* is permitted.
- 3.5 Public Utility Payments. Use of a PCard for payment of county agency utility charges is permitted.

- 3.6 Purchases authorized by the Purchasing Agent. Use of a PCard for payments authorized in writing by the county purchasing agent is permitted.
- 3.7 Purpose. The primary purpose of the purchase must benefit the county or be related to county business. See *Countywide Policy 1203 Petty Cash and Other Imprest Funds*.

4.0 Prohibited Use

- 4.1 Sales Tax. When payment is made utilizing a PCard, sales tax shall not be paid. If sales tax is mistakenly paid, the cardholder shall take action to obtain a credit to the county PCard used. In those rare cases where payment of sales tax is unavoidable, approval to pay the tax must be obtained from the agency's fiscal manager and documentation of the unavoidable circumstances must be kept. If the payment of sales tax is the result of employee negligence, the employee may lose the privilege of using the PCard and may be responsible for paying the sales tax. See *Countywide Policy 1203: Petty Cash and Other Imprest Funds*
- 4.2 Cash Advances. Use of PCards to obtain cash advances is prohibited.
- 4.3 Personal Purchases. Use of a PCard for personal purchases and non-business items is prohibited. See *Countywide Policy 1203: Petty Cash and Other Imprest Funds* for a description of non-business items.
- 4.4 Split Payments on Purchases. Intentionally splitting a single purchase into two or more transactions between one or more cardholders to circumvent competitive procurement requirements is prohibited.
- 4.5 Transactions by Anyone Other than the Authorized Cardholder. The cardholder is solely responsible for the use of the PCard issued in their name. Transactions made by anyone other than the cardholder are prohibited.
- 4.6 County Vehicle Fuel and Maintenance. Fuel purchases are prohibited. All expenses related to maintaining a county vehicle may only be made by Fleet Management. See *Countywide Policy 1350: Vehicle Policy*.
- 4.7 Gift Cards. The purchase of gift cards for employees or volunteers is prohibited on the PCard. Gift cards ~~may~~ shall only be purchased for customers or clients for county business-related reasons. All gift card purchases must be approved by the agency fiscal manager or designee. See *Countywide Policy 1203 Petty Cash and Other Imprest Funds*. Agencies shall establish internal procedures outlining the acceptable use, safeguarding, tracking, and distribution of gift cards.
- 4.8 Travel Expenses. A PCard may not be used to pay for travel expenses already paid with a per diem issued to the traveler.

5.0 Special Circumstances Requiring Additional Approval Criteria

- 5.1 Alcohol shall not be purchased using a PCard unless written approval is obtained from the county mayor/elected official or designee.
- 5.2 Delivery of goods or services to any address other than a county-owned or operated facility is prohibited unless pre-authorized in writing by the cardholder's agency management. This approval shall be maintained with all related PCard documentation.
- 5.3 Capital purchases made using a PCard must receive prior approval from the cardholder's agency fiscal manager or designee.
- 5.4 Merchant Category Codes (MCC) with restricted accounts may be requested on a PCard with written permission from the cardholder's agency fiscal manager or designee. The request should include whether the MCC is temporarily or permanently authorized on the PCard.
- 5.5 Third-party payment processors must be approved by both the agency fiscal manager or designee and the purchasing agent.

6.0 Credit Limits

- 6.1 Every PCard shall have a monthly billing cycle credit limit and single transaction limit that is requested by fiscal manager or designee and approved by the county purchasing agent or designee. The single purchase limit shall not exceed the small cost purchase limit unless authorized in writing by the purchasing agent or designee.
- 6.2 Agency management, fiscal managers, or their designees may request an increase to the monthly billing cycle or single transaction credit limit of a subordinate cardholder's PCard by submitting a written request to the program administrator or designee.

7.0 Account Reconciliation and Records Retention

- 7.1 Documentation is required for each transaction. Supporting documentation may include, but is not limited to: itemized receipts, invoices, proof of purchase, packing slips, Meal Authorization forms, Travel Authorization forms, and any written authorization permitting the transaction to be processed.
- 7.2 Supporting documentation shall include details of the purchase, quantity, and amount.
- 7.3 Supporting documentation shall be submitted electronically with the reconciliation of transactions unless otherwise authorized by the program administrator or designee.
- 7.4 If supporting documentation is missing, the cardholder must attempt to obtain a duplicate copy from the vendor. If supporting documentation cannot be duplicated, the Missing Receipt/Insufficient Documentation form is required to be completed and signed by agency management. Frequently missing documentation may result in the county PCard being suspended or rescinded.

- 7.5 In addition to the cardholder's approver, the agency fiscal manager or designee is responsible for reviewing transactions for compliance to deadlines and the reconciliation process.
- 7.6 If the established reconciliation deadline is missed, a signed transaction statement with the cardholder, and approver signatures must be submitted to the program administrator. If the signed transaction statement is not submitted by the deadline issued, the PCard may be suspended by the program administrator.
- 7.7 All supporting documentation for each transaction shall be retained according to county records retention schedules. The agency is responsible to review transactions for grants, special funding, or capital assets that may have an alternative retention schedule.

8.0 Fraud/Disputed Transactions

- 8.1 Fraudulent transaction(s) shall be immediately reported to the card issuer, program administrator, and agency fiscal designee. The cardholder shall identify the transaction as fraudulent within the reconciliation documentation.
- 8.2 Disputed transactions occur when a vendor incorrectly charges the cardholder for an amount not agreed upon or fails to deliver the correct items. Cardholders should work with the vendor to resolve the dispute. If the vendor is non-responsive, the disputed transaction(s) shall be sent in writing to the program administrator within 60 days from the transaction date.

9.0 Lost or Stolen Cards

- 9.1 If a PCard is lost or stolen, the cardholder shall notify the card issuer, the cardholder's supervisor, agency fiscal designee, and the program administrator immediately.

10.0 Transfer or Termination of Cardholder

- 10.1 When a cardholder transfers to a new position or agency, a new Purchasing Card Authorization Form may be completed by the receiving organization. The program administrator shall be notified of the cardholder transfer. Documentation for purchases completed by the cardholder on behalf of the departing agency remain the departing agency's responsibility to reconcile and retain.
- 10.2 Upon termination of employment, the cardholder's fiscal manager or designee is responsible to take possession of the card and any outstanding original receipts. The fiscal manager or designee should immediately notify the program administrator to close the account.

11.0 Compliance Review

- 11.1 The agency is responsible to continually review their cardholder's transactions for compliance with policy and procedures. The fiscal manager or designee should regularly

conduct a comprehensive review of PCard activity.

- 11.2 Contracts and Procurement, Auditor's office, Mayor's Finance, or other designees may perform additional reviews of transactions to ensure adherence to policy. Cardholders and agency fiscal designees shall comply with all reviews performed.

12.0 Discipline

- 12.1 Failure to comply with this policy, the Cardholder Agreement, PCard operating standards, or the internal policies and procedures of the cardholder's agency may result in disciplinary action, including but not limited to the rescission of the PCard or termination of employment.
- 12.2 The determination to rescind the PCard may be made by the agency fiscal manager, agency management, purchasing agent, or program administrator.

APPROVED and ADOPTED this 22 day of July, 2025.

SALT LAKE COUNTY COUNCIL


Dea Theodore, Chair

ATTEST:


Lannie Chapman, County Clerk

