Purchasing Card

Resources:

- State Purchasing Website
- Section 07-09.00 Forms and Instructions or Section 16 Forms, 16-07 Purchasing Form for forms such as the Purchasing Transaction Log, example of completed log, missing receipt form and Powerpoint training module
- Section 08-02 00 Forms and Instructions or Section 16 Forms, 16-03 Budget Forms to access forms such as the Court's Approved Expense Object Code List.
- Section 07-03.02 Employee Recognition
- Section 07-04.01 Store Account/Cards
- Section 01-01.01 Record Retention

Purpose:

1. The objectives of the Purchasing Card Program are to establish a more efficient, cost-effective method of purchasing and payment.
2. The program design is to supplement a variety of processes and to eliminate or reduce the use requests for checks, and the use of personal funds for state purchases.
3. Local record keeping is essential to ensure the success of this program. State Finance and Court Finance purchasing policies require retention of receipts, competitive price quotations, etc. As with any charge card, receipts must be retained for protection. Each time the card is used, State funds are committed.
4. The program is NOT intended to avoid or bypass appropriate purchasing or payment procedures. Rather, the program complements the existing processes available.

Policy:

1. It is the intent of the Utah Judicial Council to allow the Purchasing Card to be used for in-store purchases, e-mail orders, internet orders, telephone orders, and fax orders.
2. The Purchasing Card MAY be issued to employees of the Judiciary who purchase small dollar items at least five (5) or more times per year on behalf of the Judiciary.
3. The Purchasing card will be issued in the name of the employee who is using it for Judiciary business purposes. No fee will be charged to the Judiciary or to the employee. The employee should use the card for payment of official state

business expenses. These expenses may include payment for office supplies, forms, computer supplies, subscriptions, books, business fees, videotapes, software, miscellaneous equipment, membership fees and conference registration.

4. P-cards are to be used for goods and regular recurring charges.
5. The receipt of goods and services, ordered by an employee assigned a P-card, must be received by an employee independent from initiating or making the purchase. The receipt of goods and services must be documented by a signature on the invoice, receiving document, or packing slip, etc. The receiving document is to be emailed with the P-card log to be scanned into FINET.
6. The receiving document must be included with the P-card log and scanned into FINET.
7. Employees shall not use the Purchasing Card for paying personal non-business expenses. The State Court Administrator will withdraw the card privilege and will take appropriate disciplinary action against any employee who misuses the card, up to and including termination of employment. In addition to administrative action, the State of Utah may pursue criminal action when appropriate. Contact AOC Finance if erroneous personal charges are made on the p-card as soon as noticed.
8. he Purchasing Cardholder agrees to comply with all existing purchasing policies and guidelines. This includes usage of statewide contracts when applicable and obtaining at least two competitive bids for purchases from $1,001 to $5,000. The Purchasing Card is NOT intended to avoid state purchasing policies (FIACCT 04), Judicial Council Procurement Guidelines, or to replace the current travel and entertainment policies (State Purchasing Policy R33).
9. Purchasing cards may be used to purchase jury meals. See Section 10.01 00 Jury payments).
10. Purchasing cards may be used to purchase refreshments for retirement and swearing in ceremonies. Object code 6276 should be utilized.
11. Purchasing cards can not be used to purchase gift cards, as these are taxable and must be entered on an FI48 form. See Section 07-03.02 Employee Recognition. Non-taxable gifts can be purchased by card, charging object code 6276.
12. The Purchasing Card may be used for certain allowable travel expenditures:
    a. Conference registrations or seminar rooms
    b. In-state group gatherings (see **State Finance Rules FIACCT 10-04.00** for additional requirements)
    c. Secure and pay for lodging.
13. Sales Tax should NOT be paid when using the Purchasing Card. The card will state "Tax Exempt" on it.
14. The Purchasing Card may NOT be used for any services such as personal services, doctor visits, hospital charges, consultant fees, or attorney fees. Other examples of inappropriate usage:
    a. Any item exceeding $5,000 in value. If the purchase is between $1,001 and $5,000, at least 2 competitive bids are required. Price quotations will need to

be documented and retained in order to comply with State Purchasing Policy R33.

   b. Any merchandise, product, or service normally considered to be inappropriate use of state funds.
   c. Capital equipment.
   d. Gift cards/certificates – see Finance Rules for specifics **NOTE: gift cards/certificates are *CASH EQUIVALENTS* and are recorded in the Payroll System or as 1099 payments which are not allowed by purchase card policy)**
   e. Meals associated with travel.

15. An agreement noting that the Purchasing Card holder has read and fully understands the policies in this document as well as general Purchasing Policy is to be signed prior to receipt of the Purchasing Card.
16. Card limits are set by the supervisor/TCE through the purchasing card administrator and can be changed upon request.
17. A Purchasing Card Log shall be maintained by the individual card holder.

Cardholder Responsibilities:

1. The Cardholder is responsible for recording each purchase made on the Purchasing Card on the P-Card Log which is an ongoing record of information about the transactions made.
2. The Cardholder will receive a reconciliation statement from the bank each month. The Cardholder is responsible for reconciling this statement with the P-Card Log and obtaining the approval signature.
3. The reconciled and approved P-Card Log along with a copy of the bank statement, **itemized** receipts and all required backup information must be emailed to AOC Purchasing no later than the last day of the month it is received. (Email to courtspccards@utcourts.gov.)
   a. Failure to submit any statement timely may result in expenses not being posted in the fiscal month of the statement.
   b. Failure to submit fiscal year end statements (available before mid-July) timely could result in expenses being charged to incorrect fiscal years.
   c. Failure to regularly submit purchasing card logs may result in revocation of p-card privileges.
4. It is recommended that a rolling 12 months of original receipts be retained in order to facilitate any returns, purchase issues, or audit questions. See also Section 01-01.01 Records Retention.
5. A copy of the P-Card Log should also be provided to the budget support person responsible for reconciling expenses in FINET.
6. For fiscal year end statements (available before mid-July), the purchasing log must note if purchases are old-year or new-year purchases.

AOC Purchasing Responsibilities:

1. Review the P-Card Logs to ensure that they are complete and all Purchasing procedures have been followed.
2. Redistribute expenses to the correct coding per the P-Card Log.
3. Scan all documents including who received the merchandise/packing slips into FINET.

Procedures for Obtaining a P-card

1. Prospective cardholders should contact AOC Purchasing for application.