



PURCHASE CARD USE POLICY

All transactions charged to San Juan County-issued purchase cards shall be made in compliance with adopted San Juan County policies and procedures. County-issued purchase cards shall not be used to avoid or bypass adopted purchasing or procurement rules. Employees should exercise good judgement and act responsibly when using a County-issued Purchase Card. Purchase cards are to be used only by authorized San Juan County employees.

County-issued purchase cards should be used whenever possible for approved purchases. Employees are discouraged from using personal funds to pay for County expenses. Reimbursement for personal funds will be considered only for legitimate County expenses and only when a County-issued purchase card was not reasonably available, either with prior supervisor approval or in an emergency situation with documented supervisory approval obtained as soon as possible after the purchase. In all cases, written approval from the employee's Department Head is required for reimbursement.

1. Requesting a Purchase Card: Department Head must request the Purchase Card for the employee. Before a card is issued, an employee must sign the San Juan County Purchase Card Authorization Form.
 - a. Distribution of Purchase Cards should be limited to those employees who have a compelling business need. Purchase Cards should not be provided for employees and officers who have only an occasional or infrequent use. The sharing of Purchase Cards is discouraged as it further weakens oversight.
2. Responsibility for Purchase Cards:
 - a. Department Heads are ultimately accountable for use of any County-issued purchase cards assigned to their department.
3. Custody of Purchase Card:
 - a. The Purchase Card is the property of San Juan County and must be kept secure at all times.
 - b. If a Purchase Card is lost or stolen, the employee shall immediately notify the County Administrator to cancel the Purchase Card, then shall notify their Department Head.
4. Sales tax: As a government agency, San Juan County is exempt from paying Utah state sales tax on everything except hotel reservations.
 - a. When a Utah payment is made using a County-issued purchase card sales, tax shall not be included. The exemption may not apply to purchases made with vendors in other states.

- b. In circumstances where sales tax is unavoidable, the cardholder shall obtain the appropriate tax documentation and submit the required Utah State Tax forms to the County Clerk/Auditor.

5. Limits and Restrictions:

- a. Each County-issued purchase card is assigned a monthly, daily, and per-transaction limit as determined by San Juan County Administrator.
- b. A single purchase cannot be split into multiple transactions to bypass card limits.
- c. If authorized limits become insufficient to meet Department needs, an increase may be requested by the Department Head to the County Administrator
- d. If a purchase exceeds the existing limit, follow the Authorization Requirements for Purchases (Section H of the Purchasing Policy) with a Purchase Order (Exhibit B).
- e. County-issued Purchase Cards have been set up to block some transactions based on supplier's merchant category code.
 - i. If the Department Head believes a transaction should not have been declined, they can request that the category is added to the cardholder's profile by the County Administrator.
 - ii. If a transaction is declined and the Department Head believes the purchase is appropriate, the Department Head may request that the merchant category be added to the cardholder's profile. Requests must be submitted to the County Administrator or Administrative Assistant. The request must include the date and amount of the declined transaction and the applicable Merchant Category Code (MCC), if known. Requests must be made within 24 hours of the attempted purchase to ensure the declined transaction remains visible in the system queue. Best number to reach appropriate staff is (435) 587-3225
- f. Emergency Purchases
 - i. In emergency situations where pre-approval is not feasible, purchases must be documented and approved retroactively within one business day. An emergency situation is an unforeseen and time sensitive event that requires immediate action to protect life, health, safety, County property, continuity of essential services, or legal compliance, and where delaying the purchase to obtain standard approvals or use a County-issued purchase card would result in harm, significant disruption, or increased cost to the County.
 - ii. Examples of emergency situations may include, but are not limited to:
 - 1. Immediate purchases required during an active emergency response or incident (e.g., disaster response, evacuation, sheltering, emergency operations).
 - 2. Urgent replacement of critical equipment or supplies necessary to maintain essential County services when existing resources fail.
 - 3. Situations where a vendor cannot accept a County-issued purchase card and delay would jeopardize operations or safety.
 - 4. Time-critical purchases necessary to comply with legal, regulatory, or public safety requirements.
 - iii. Non-emergency situations include:
 - 1. Poor planning or failure to request approval in advance.
 - 2. Convenience purchases or routine operational needs.
 - 3. Purchases made to avoid purchasing thresholds or card limits.

6. Card Payments:

- a. Purchases made using a County purchase card shall be conducted in accordance with the County Purchasing Policy and all applicable procurement requirements..

7. Purchase Card Reconciliation:

- a. All Purchase Card users will submit the County's Card Reconciliation Form
 - i. Monthly,
 - ii. No later than a week after the statement is emailed to the cardholder
 - iii. With an itemized receipt for each charge.(With a whole itemized, readable receipt for the charge)
 - iv. The County-issued purchase card will be suspended first thing the business day following the due date if the Clerk/Auditor Office did not receive it before or prior to the due date.
- b. Receipt must include:
 - i. Vendor Name
 - ii. Transaction date
 - iii. Quantity purchased
 - iv. Unit cost
 - v. Description of product
 - vi. Total
- c. Purchase of food
 - i. What was the reason behind the purchase (i.e., Staff meeting, Public Hearing, training, etc.)?
 - ii. Tips should not exceed 20%
- d. If no itemized receipt is submitted, a missing receipt form, "Verification of Lost Receipt or Inadvertent Use of County Purchase Card," must be completed by the cardholder and signed by both cardholder and Department Head. Excessive use of the missing receipt form (the fourth during a calendar year) will result in loss of credit card privileges and/or reimbursement by the cardholder.

8. Unauthorized Uses:

- a. Any employee found using a County-issued purchase card for an unauthorized use may be subject to the employment disciplinary process, in accordance with the San Juan County Personnel Policy. The following are examples of unauthorized charges:
 - i. Personal, non-official expenses of any kind, and for any reason.
 - ii. Purchases considered an inappropriate use of public funds.
 - iii. Using the County-issued purchase card to get cash, gift cards, or other cash equivalents.

- iv. Professional services without a current County agreement.
 - b. Any unauthorized use may result in criminal charges.
 - c. In accordance with Utah Code 63A-3-110, use of a County-issued purchase card for personal expenditures is prohibited. If a County-issued purchase card is used for personal expenditures intentionally, the employee shall reimburse the County for the full amount of the expenditure and remit an administrative penalty equal to 50% of the expenditure, as required by state law. If a County-issued purchase card is used for personal expenditures accidentally, the employee shall reimburse the County for the full amount of the expenditure.
9. Audits/Reviews: Purchase cards, Reconciliation Forms, and itemized receipts are subject to audits and reviews by
- a. The office of the San Juan County Administrator or its agent.
 - b. The office of the San Juan County Clerk/Audit Department.