



# Borough Of Tinton Falls

## Procurement Card (P-Card) Policy and Procedures

### **Purpose:**

This policy is for the Borough of Tinton Falls to be in compliance with Local Finance Notice #2018-13 which states, “The governing body of a local unit seeking to utilize P-Cards to acquire goods and services must adopt a resolution or ordinance, as appropriate, setting out policies and procedures that govern their use as well as ensuring sound fiscal and managerial controls”. The statutory reference regarding procurement cards can be found in New Jersey Administrative Code 5:30-9A.

### **Authorization:**

The following positions are those deemed as authorized procurement card users: Borough Administrator, Chief Financial Officer, Qualified Purchasing Agent and Purchasing Assistant. “Authorized procurement card use” means the Borough employee authorized by the Borough Administrator to make transactions using a procurement card and whose name physically appears on the procurement card. Upon separation of employment with the Borough of Tinton Falls via termination, resignation or retirement, authorized procurement card users must immediately submit the procurement card to the Qualified Purchasing Agent.

To be permitted to utilize P-Cards, the governing body must appoint a program manager who is a Qualified Purchasing Agent (QPA). The Qualified Purchasing Agent shall be the designated program manager for the Borough of Tinton Falls. The Chief Financial Officer shall be responsible for supervising the Program Manager’s oversight of the local unit’s P-Card program. Reconciliation of activity shall be conducted by the CFO and/or the Financial Assistant.

### **Procedures:**

All authorized procurement card users shall complete and sign a contract of understanding that includes financial responsibility for the misuse of the procurement card. A card shall not be issued unless it can be shown that such issuance is necessary for the conduct of ongoing operations in the normal course of providing government services. All authorized procurement card users are only able to charge P-Cards for tangible supplies or non-tangible items under the following conditions:

- When payment to vendors is required in advance of the delivery of certain materials or services that cannot be obtained from any other source at comparable prices
  - Advance payment is required by the vendor
  - Comparable pricing is not otherwise obtainable for such goods or services to be available at the time and place required; and
  - The Borough Administrator has approved such item for purchase from a particular vendor
  
- When ordering, billing and payment transactions for goods and services are made through a computerized electronic transaction (i.e. on the internet)
  - Vendor requires immediate payment; and
  - The Borough Administrator has approved such item for purchase from a particular vendor



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Please be aware that all purchases of goods and services using a P-Card must be done in compliance with the Local Public Contracts Law; use of a P-Card does not change or eliminate any provisions of the law.

**Under no circumstance shall procurement cards be utilized for personal use. Procurement cards shall not be used for travel and dining expenses for government employees, volunteers, or officials. Cash advanced from P-Cards is strictly prohibited.**

Each card user shall be financially responsible for any misuse of the P-Card. The unauthorized use of any P-Card shall result in appropriate remedial or disciplinary action, up to and including termination, without regard to the position held by the card user including, if necessary, the recouping of disbursements for personal purchases through employee salary deductions.

When incurring any charge on the P-Card, all documentation regarding the purchase, including but not limited to receipts and invoices must be provided to the Qualified Purchasing Agent within two business days of the purchase. All authorized procurement card users shall expeditiously handle returns to ensure the local unit receives credit or is not billed.

All supporting vouchers and receipts shall be compared to the P-card statement of activity. Any item appearing on the statement of activity for which no receipt has been presented, or any disparity in the amounts between original receipts and charges appearing on the statement of activity shall be verified by the appropriate department head, or otherwise contested by the CFO or Financial Assistant.