

PURCHASING CARD POLICY

I. PURPOSE

The Purchasing Card Policy ("P-Card Policy") is established for the purpose of providing authorized employees of Pioneer Community Energy ("Pioneer") with a cost-effective, convenient, and streamlined method of purchasing items, allowing staff to operate more efficiently and reduce costs.

II. DEFINITIONS

"Agency Business" shall mean carrying out the responsibilities and duties of the office or position held by the Employee

"Cardholders" refer to the authorized Employees who are issued a Purchasing Card

"Employees" shall mean those individuals who are employed for a salary or wage by Pioneer, not including members of the Board of Directors or individuals working under a contract for services unless specifically identified in said contract

"Purchasing Cards" or "P-Cards" are credit cards issued to authorized Employees to make purchases for Agency Business

"P-Card Report" refers to the monthly P-Card statement reconciliation report justifying each month's transactions

III. POLICY

A. ELIGIBILITY

- i. Purchasing Cards may be issued to the Executive Director and to other Employees at the discretion of the Executive Director

B. P-CARD ADMINISTRATION

- i. The Finance and Administration Department is responsible for:
 - o issuance and collection of P-Cards
 - o distribution of monthly statements for reconciliation
 - o monitoring and review of Cardholder activity
 - o provision of mandatory trainings for all Cardholders
 - o monthly Cardholder transaction limit management
 - o timely payments of P-Card statements
 - o corrective action regarding unauthorized use or fraudulent activity, including potential revocation of an Employee-issued P-Card

C. CARDHOLDER RESPONSIBILITIES

- i. Cardholders are responsible for all use of their P-Card
- ii. Maintain proficiency with the P-Card Policy
- iii. Ensure all P-Card transactions are for authorized uses as defined in this policy, and are in accordance with Pioneer's Procurement Policy and with all other laws, Pioneer policies and internal procedures
- iv. Ensure physical and digital security of the P-Card at all times
- v. Attend all mandatory P-Card trainings
- vi. Obtain an itemized receipt at the point of purchase for each transaction and verify for accuracy
- vii. Retain all documentation for proof of purchase, such as invoices, itemized receipts, and order confirmations
- viii. Submit monthly P-Card reports in a timely manner
- ix. Report lost and/or stolen cards and/or fraudulent activity immediately to the Finance and Administration Department

D. USE OF THE P-CARD

- i. Authorized P-Card Use:
 - o Only Cardholders are authorized to use P-Cards

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- The P-Card is intended to be used when other traditional methods of purchasing goods and services, such as paying by invoice, are not available
- Allowable purchases include:
 - Authorized purchases of supplies or meals for Agency Business
 - Authorized travel and registration expenses
 - Other purchases related to Agency Business
- ii. Unauthorized P-Card Use:
 - Delegation of P-Card to any unauthorized individual
 - Physical or electronic storage of P-Card information that circumvents the Cardholder
 - Prohibited purchases include:
 - Personal business or travel not specifically related to Agency Business including, but not limited to, commuting between the Employee's home and any regular work location
 - Alcohol and tobacco
 - Purchase of temporary or contract labor which requires 1099 reporting
 - Cash advances of any type
 - Political contributions
 - Entertainment, gifts, or other expenditures which are otherwise prohibited by:
 - Authority budget and/or policies
 - Federal, state, or local laws or regulations
 - Grant conditions or policies of the entities from which Pioneer receives funds

E. MONTHLY STATEMENT REVIEW

- i. All Cardholders must check each statement transaction against the P-Card Report and supporting documentation

Category: Finance

- ii. Any transaction with missing documentation requires a written explanation and signed affidavit for the missing documentation
- iii. Any disputed charges are the responsibility of the Cardholder to correct with the vendor and must be documented and noted on the P-Card Report
- iv. Submit the reconciled statement, purchasing documentation, and all associated receipts to the Finance and Administration Department within seven (7) days from receipt of the monthly statement to ensure timely processing
- v. The Finance and Administration Department will review all P-Card Reports for completeness and will submit to the Director of Finance and Administration for review and approval
 - i. The Director of Finance and Administration's P-Card Report shall be reviewed and signed by the Executive Director

F. ETHICAL USE OF RATEPAYER FUNDS

- i. As P-Card purchases represent use of ratepayer funds, Cardholders must be continually reminded that their purchases represent the Agency's interest and reputation for ethical and prudent activities
- ii. Each transaction must be one that the Cardholder could easily explain or defend as prudent use of public funds, since all transactions are a matter of public record
- iii. As written policies cannot be established to cover every eventuality of P-Card use, all Cardholders must use their best judgment when expending ratepayer funds with an Agency P-Card
- iv. In those instances where a reasonable person might question an expenditure of public funds and use of a P-Card to procure a good or service, the Cardholder should refrain from making the purchase without first consulting the Department of Finance and Administration

IV. POLICY COMPLIANCE

A. COMPLIANCE MEASUREMENT

The Finance and Administration Department will verify compliance to this policy through various methods, including, but not limited to, monthly statement reviews, internal audits, and feedback to the Cardholder.

B. NON-COMPLIANCE

Any Employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.