

	<b>POLICY PROCEDURE GUIDELINES</b>	<b>POLICY NUMBER: 03.30.00.</b>	<b>PAGE NUMBER: 1 of 7</b>
		<b>SUBJECT:</b> Procurement Card Policy	Adopted: 1/22/2015 Latest Revision: 04/15/2016 Next Review:

**03.30.00. POLICY STATEMENT**

The Forest Preserve District of Cook County (the “District”) has set forth this policy to govern all District procurement cards. This policy is established to provide a means with which to make purchases and, at the same time, reduce the costs associated with initiating and paying for those purchases.

**03.30.01. PURPOSE**

The purpose of the Procurement Card policy is to provide an efficient, cost effective, secondary purchase option for small purchases in the case of an immediate need to allow departments to purchase goods and services directly from vendors when those items are needed, but is not practical to pay by check or cash when payment is demanded. This policy eliminates the need for petty cash at any District property.

**03.30.02. REFERENCES**

Forest Preserve District of Cook County, Receipts of Money  
(FPDCC Code Section 1-8-1)

Forest Preserve District of Cook County, Contracts & Purchases  
(FPDCC Code Section 1-8-2)

Cook County Personnel Rules  
Rule 8: Conduct and Discipline of Personnel

Forest Preserve District of Cook County: Employee Handbook  
Rules of Conduct

**03.30.03. DEFINITIONS**

**Procurement Card:** A debit card, charge card, and/or credit card, issued to an employee of the District for the purpose of making authorized purchases on the District’s behalf.

**03.30.04. SCOPE**

This policy applies to all procurement card holders and District employees.

Employee violation of this policy may lead to disciplinary action, up to and including termination, in accordance with the applicable law, rule or collective bargaining agreement. Employees who violate this policy: **(1)** may be subject to legal action as appropriate; and, **(2)** may also be accountable for any questionable expenditure.

### 03.30.05. RESPONSIBILITY

**Finance & Administration Department:** The Finance & Administration Department shall: (1) have overall responsibility for the Procurement Card Policy and Program; (2) maintain the database of cardholders; (3) serve as the liaison for all financial institutions; (4) manage the monthly invoice review and approval process; (5) request new cards/discontinue cards not in use; (6) collect monthly Procurement Card Transaction logs from the cardholders; (7) review monthly account statements and retaining receipt; and (8) review all Procurement Card expenditures to ensure compliance with this policy and that expenditures are being properly processed and paid.

**Department Heads:** District Department Heads, and other senior staff shall: (1) comply with this policy; (2) ensure all authorized signatures are present and legible on all documents and ensuring all supporting documentation is attached; (3) approve appropriateness of purchases on monthly account statement reports; (4) ensure cardholders and designated purchasers under their purview comply with the rules and regulations of the program and policy; (5) be responsible for the use of the cards by their department; (6) make sure that any charges are authorized for District expenditures and that adequate monies are available within the department's approved budget; and, (7) ensure delegation of review is not allowed.

**Internal Auditor:** The District's Internal Auditor shall perform periodic audits to review compliance with the District's current purchasing process and Procurement Card Policy.

**Card Holders:** All District employees that are given a District procurement card shall: (1) comply with this and/or any other District policy or ordinance; and (2) sign annually an "Acknowledgement Agreement" indicating that they have received a District issued procurement card and have read, understand and accept the terms of this policy. (*See Appendix A*)

### 03.30.06. PROCEDURE

A. **Letter of Justification:** When requesting a procurement card, the Department Head should provide justification for the prospective cardholder.

B. **Allowable Purchases:** Small dollar purchases, including: (a) Parking, public transportation and taxicabs for District business need's (meetings, etc.); (b) Repair materials and supplies for immediate repairs where time is of the essence; (c) Items such as supplies, perishable goods, snacks, ice, water, etc. may only be purchased if used for the direct benefit of District users, District volunteers and or District program participants. A written description of the purchase is required (*See Appendix B*); (d) Food items for Board of Commissioners, the Conservation & Planning Council, and, Next Century Conservation Plan Implementation related committee meetings are allowed and are to be approved by the General Superintendent, and/or his/her designee, or Chief Financial Officer; and, (e) Out of County travel expenses (i.e. conferences, workshops, seminars, training, etc.) must be approved by the Department Head (more information is found in the District Travel Policy 04.10.00.).

C. **Purchases Not Allowed:** Limits can be placed on the types of purchases that may be made through Merchant Category Code (MCC) blocks. A Merchant Category Code is a four digit number used by the bankcard industry to classify or limit businesses that accept charge cards. The District has implemented this transaction limitation function to prevent

a charge card from being used to purchase restricted goods and services. (*See Appendix C*)

Below is a listing of expenditures that are not considered appropriate when conducting Forest Preserve business. This listing is not intended to be exhaustive. If you are in doubt or have a question, discuss with your Department Head or the Chief Financial Officer. If a Department Head believes that a certain type of restricted expenditure is absolutely critical, prior written approval from the Chief Financial Officer will be required and is to be included with the supporting documentation for payment.

The following are examples of restricted expenditure types:

- Meals, food, and/or food supplies for *employee only* meetings, training sessions, events, holiday parties, and birthdays, unless expressly approved in advance by the General Superintendent, and/or his/her designee, or Chief Financial Officer;
- Cash Advances/Gifts/Flowers/Gift Cards/Sponsorships/Donations/Non-Work Related Items/Office decor items unless related to public areas;
- Alcoholic beverages, tobacco products, illegal/legal and controlled substances;
- Entertainment/recreational activities unless related to specific programs serving the public and subject to prior approval by the Department Head;
- Large Appliances (e.g., microwaves, refrigerators, coffee makers);
- Kitchen textiles and equipment (e.g., napkins, cups, utensils used in break rooms and only for District employee usage);
- Traffic citations/parking violations/fines and penalties;
- Vehicle expenses, including car washes, maintenance, repairs and fuel;
- Capital equipment or construction;
- Software and related licensing agreements, unless approved in advance by the Department Head;
- Professional or trade licenses required for employment, unless expressly stated in bargaining agreements or approved in advance approved by the General Superintendent, and/or his/her designee, Chief Attorney, or Chief Financial Officer;
- Supplies and materials for which the District has a contract to purchase unless it is deemed to meet an immediate operational need by Department Head; and,
- Any other item deemed inappropriate/unnecessary for conducting District business.

**D. Expenditure Limits:** No individual purchases are allowed for over \$750.00. In general, total expenditures may not exceed \$3,000.00 in the 30 day cycle (any exceptions are noted when procurement cards are issued).

**E. Tax-Exempt Status:** District purchases are exempt from State Sales Tax, and every effort needs to be made to ensure that expenditures do not include Sales Tax. Tax exempt certificates are available through the Finance Office. In addition, the District's tax exempt FEIN number will be printed on the Face of each Procurement Card. \*If the cardholder does not ensure their purchase is exempted from the Sales Tax charge, the cardholder may be personally responsible for remitting the Amount of Sales Tax the District pays.

**F. Supporting Documentation:** Each purchase shall be substantiated by the following supporting documentation:

- Original receipts, which include vendor name, date of purchase, individual items itemized with exact dollar amounts. In the case of supplies, snacks, perishable goods,

ice water, etc., each receipt must identify in writing the District Program, date of the Program activity, District users, volunteers, and /or District program participants that directly benefited from the purchase **(or use Appendix B)**. **Copies of receipts are not acceptable.**

- Cardholder signature which also acknowledges the business appropriateness of the expenditure.
- Written approval is required from the cardholder's Department Head. Approval signatures must be original (copied/stamped approvals are not acceptable).
- The original receipts will be attached to the provided expense report.
- All supporting documentation must be submitted to the purchasing agent within ten (10) days after receipt of the individual expense summary worksheet.

If original receipts and/or supporting documentation are unavailable, the cardholder must provide a written explanation in the form of a memorandum to the Chief Financial Officer; however, at the discretion of the General Superintendent, and or his/her designee, the cardholder may be responsible for any charges which do not have the appropriate supporting documentation. Failure to follow this policy repeatedly will be a violation of District policy and may result in suspension of card or other disciplinary action.

**G. Financial Review:** The Finance and Administration Department will review all Procurement Card expenditures to ensure compliance with this policy and that expenditures are being properly processed and paid.

Procedures will include the following: **(a)** Expenditure Utilization: Review spending by type of expenditure and also by dollar amount to determine excessive spending and/or questionable categories of expenditures; **(b)** Individual Utilization: Review spending by individual employee to identify any questionable expenditure and/or spending habits; and, **(c)** Analytical Review: Compare Procurement Card expenditures for current time period to prior periods and actual expenditures to budgeted ones to identify unusual spending and/or unexpected trends.

**H. Exceptions:** Any potential exception/exemption from any component of this policy must be discussed with the Chief Financial Officer for consideration.

### **03.30.07. TRAINING REQUIREMENTS**

1. All Department Heads and procurement card holders shall be trained on this policy.

### **03.30.08. ACTION PLAN TO COMMUNICATE/DISSEMINATE**

1. This policy should be distributed to all appropriate and necessary employees.
2. This policy should be added to the District shared drive, intranet, and website.

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**If you have questions, comments, or suggestions concerning District policies, please contact:**

Forest Preserve District of Cook County  
Office of the General Superintendent  
Attn: Anthony D. Tindall, Policy Director  
69 W. Washington St., Suite 2040, Chicago, IL 60602  
Office: (312) 603-8351; Email: [Anthony.Tindall@cookcountyil.gov](mailto:Anthony.Tindall@cookcountyil.gov)



**Appendix A:  
FOREST PRESERVE DISTRICT OF COOK COUNTY  
PROCUREMENT CARD POLICY ACKNOWLEDGEMENT AGREEMENT**

I hereby certify that I have received, read, understand and agree to all of the terms and conditions of the Forest Preserve District of Cook County (the "District") Procurement Card Policy. I also acknowledge that violation of this policy may **(1)** lead to disciplinary action, up to and including termination, in accordance with the applicable law, rule or collective bargaining agreement; and, **(2)** that I may also be accountable for any questionable expenditure.

**To Be Completed By the Employee:**

**Employee Name:** \_\_\_\_\_

**Employee Job Title:** \_\_\_\_\_

**Employee Phone:** \_\_\_\_\_

**Employee Department:** \_\_\_\_\_

**Employee Work Location:** \_\_\_\_\_

**Employee Signature:** \_\_\_\_\_

\_\_\_\_\_ **Date of Signature**

**To Be Completed By the Department Head:**

**Dept. Head Name:** \_\_\_\_\_

**Dept. Head Job Title:** \_\_\_\_\_

**Dept. Head Phone:** \_\_\_\_\_

**Dept. Head Signature:** \_\_\_\_\_

\_\_\_\_\_ **Date of Signature**



**Appendix B:  
FOREST PRESERVE DISTRICT OF COOK COUNTY  
LETTER OF JUSTIFICATION**

Please include as a support document for items purchased:

\_\_\_\_\_ **Date**  
\_\_\_\_\_ **Department**  
Event \_\_\_\_\_ Vendor: \_\_\_\_\_ Amount: \_\_\_\_\_  
Reason: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ **Date**  
\_\_\_\_\_ **Department**  
Event \_\_\_\_\_ Vendor: \_\_\_\_\_ Amount: \_\_\_\_\_  
Reason: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ **Date**  
\_\_\_\_\_ **Department**  
Event \_\_\_\_\_ Vendor: \_\_\_\_\_ Amount: \_\_\_\_\_  
Reason: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ **Date**  
\_\_\_\_\_ **Department**  
Event \_\_\_\_\_ Vendor: \_\_\_\_\_ Amount: \_\_\_\_\_  
Reason: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ **Date**  
\_\_\_\_\_ **Department**  
Event \_\_\_\_\_ Vendor: \_\_\_\_\_ Amount: \_\_\_\_\_  
Reason: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ **Date**  
\_\_\_\_\_ **Department**  
Event \_\_\_\_\_ Vendor: \_\_\_\_\_ Amount: \_\_\_\_\_  
Reason: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
**Department Head Name** (Please Print)

\_\_\_\_\_  
**Department Head Signature**

\_\_\_\_\_  
**Date**



**Appendix C:  
FOREST PRESERVE DISTRICT OF COOK COUNTY  
MCC CODES-EXCLUSION LIST**

(Refer to the Policy for Other Purchases Not Allowed)

MCC- Merchant Category Codes & Numbers	Description
4119	Ambulance service
4411	Steamship Cruise Line
4722-4723	Travel Agencies/Other Travel/Package Tour Operators
4821-4899	Telegraph service/ Cable TV Services
5681	Furrier/Fur Shops
5698	Wig & Toupee Shops
5813	Bars & taverns
5921	Beer/Wine/Liquor
5944	Jewelry Stores
5971-5993	Cigar Stores /Stands
6010-6300	Manuel ATM/Cash/Courtesy Checks/Financial Services, ex: Insurance or Securities
6513	Real Estate Agents & Manager Rentals
6532-6533	Payment Service Provider- member payment transaction/merchant payment transactions
6538-6540	Injury Casualty, funding
7297	Massage Parlors
9754	Gambling- Horse racing, Dog racing Lotteries
4829	Wire Transfers
7995	Betting Track/Casino/Lotto
6300-6760	Overpayment savings bonds, Financial Services- Insurance Sales, underwriting or Security Brokers /Dealers
4829	Wire Transfer money orders
6760	Savings Bonds
5976	Orthopedic goods