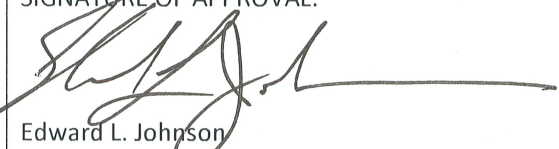


PURCHASING AND CONTRACTS POLICY PROCEDURE	Policy Number: PRO-007
SUBJECT: Purchasing Card Policy	EFFECTIVE DATE: 01-01-2019
SIGNATURE OF APPROVAL:  Edward L. Johnson Chief Executive Officer, LYNX	REVISION NUMBER: 1 REPLACES: Purchasing and Contract Policy Procedure (PRO-007) DATED October 21, 2002 APPROVED DATE: 11 Feb 19

I. OBJECTIVE:

The Central Florida Regional Transportation Authority (hereinafter "Authority") was created by Part II, Chapter 31,3, Florida Statutes, to own, operate, maintain and manage a public transportation system in the area of Seminole, Orange, and Osceola Counties, and to adopt such policies as necessary to govern the operating of a public transportation system and public transportation facilities. The Chief Executive Officer is authorized to establish and administer such policies. Therefore, this document outlines the policy governing the LYNX Purchasing (P-Card) Card Program.

II. SCOPE:

This Policy shall apply to all officers and employees and agents of the Authority.

III. AUTHORITY:

Authority for this policy and procedure are as follows:
Administrative Rule 4 – Procurement and Contract Administration

IV. POLICY:

LYNX has instituted a program under which Purchasing Cards (P-Cards) are used as a cost effective way to pay for emergency small dollar purchases and approved travel. The P-Card Program was established with the aim of streamlining the purchasing and accounts payable processes and reducing the paperwork and administrative costs associated with the purchase of such items. All transactions must be accurately documented with sufficient justification of the business and public purpose.

V. DEFINITIONS

Approving Official - The cardholder's direct supervisor or other designee.

Cardholder - An employee who has been issued a P-Card and is authorized to make purchases within the limits specified in accordance with these procedures and LYNX Policies.

Department Budget Administrator- The employee responsible for ensuring that all purchases are within the budget constraints. (In most cases this is the responsibility of the Department head.)

Emergency - A situation that requires immediate attention and remedial action for a sudden, unexpected, and or impending event. This may involve risk to life, safety, property, health, environment, service delivery, etc. Some emergencies are self-evident (such as natural disasters) while others require the user to decide whether it meets this standard. Known potential situations should be assessed and Blanket Purchase Orders set up through Procurement to take advantage of volume discounts and budget controls.

Goods - For the purposes of this policy, anything not considered a service (i.e., tangible products or merchandise).

Issuing Bank – Financial institution administering the program and issuing LYNX P-Cards.

P-Card - A type of credit card used for the purchase of low dollar value items used in the conduct of LYNX business as noted in this Policy.

P-Card Administrator - The employee responsible for administration of the P-Card program.

Supervisor of Financial Reporting - The employee in the Finance Organization responsible for reviewing the monthly P-Card transaction summary, verifying monthly payment amounts, and coordinating accounting general ledger reclassifications.

Services - For the purposes of this policy, a task that involves labor by an outside source or vendor. The vendor providing service is required to have a W9, Request for Taxpayer Identification Number and Certification, on file with LYNX.

Statement of Account - A monthly listing of all transactions by each cardholder, issued by the issuing bank directly to LYNX. In addition, each cardholder has access to the Enterprise Spend Platform to reconcile their account, document their purchases, and approve their transactions.

Enterprise Spend Platform – Automated system to manage and administer P-Card activities including, transaction descriptions, uploading of receipts, and approvals.

Vendor/Supplier – A company from which a cardholder purchases goods, travel and services under the provisions of this program.

VI. GUIDELINES:

- 1.0 P-Cards may be used for a single transaction limit totaling less than \$750. Individual spending limits are generally up to \$5,000 per month, except where the authorized limit is different per LYNX policies. P-Card may be used as follows:
 - 1.1 Goods for LYNX business purposes only for emergencies
 - 1.1.1 Known repeatable purchases should be procured via blanket POs through the Lynx Procurement process to take advantage of volume discounts, budget controls, etc.
 - 1.2 Approved travel expenditures
 - 1.2.1 Must be pre-approved in accordance with the LYNX Travel Policy (documented and attached to the receipt(s)).
 - 1.3 Services for LYNX business purposes only for emergencies
 - 1.3.1 A task that involves labor by an outside source or vendor.
 - 1.3.2 The vendor providing service is required to have a W9 on file with LYNX.
 - 1.3.3 Only for emergency services with prior approval from the Department Head and the Director of Procurement.
 - 1.3.4 No other services are permitted for purchase on a P-Card.
 - 1.3.5 The vendor must be on the LYNX vendor master list with appropriate business insurance.
- 2.0 All transactions must be documented with sufficient justification of the business and public purpose as well as the rationale to qualify it as an "emergency".
- 3.0 P-Cards may not be used for the following:
 - 3.1 Capital purchases
 - 3.2 Services not for emergencies
 - 3.3 Cash advances
 - 3.4 Fuel for personal vehicles
 - 3.5 Personal items
 - 3.6 Food not in the normal course of LYNX business (e.g., working lunches, training, etc.)
 - 3.7 Any other items not allowable or not in accordance with the section above.

[If in doubt contact your supervisor (Approving Official), the Manager of Procurement or the Comptroller.]
- 4.0 The P-Card program incorporates internal controls to provide oversight of each cardholder's transactions. The controls provide a framework to safeguard against improper or fraudulent use.
- 5.0 Cardholders shall NOT split transactions to circumvent the applicable limits. These include, but are not limited to:
 - 5.1 Maximum dollar amount of a single transaction
 - 5.2 Total spending limit per month per cardholder

9.0 P-Card Administrator

- 9.1 Serve as liaison between LYNX and the Issuing Bank and oversee the P-Card program.
- 9.2 Verify the transaction record is accurate, complete, and approved by correct individuals.
- 9.3 Process new cardholder applications.
- 9.4 Verify card information has been accurately captured by the Issuing Bank.
- 9.5 Distribute cards to approved cardholders after appropriate training is complete.
- 9.6 Design and conduct training sessions for cardholders and approving officials.
- 9.7 Maintain a database of all active cardholders including spending limits, approving official, contact information, etc.
- 9.8 Process account maintenance requests, including suspension, cancellation, and changes to cardholder information.
- 9.9 Monitor P-Card usage based on reports furnished by the Issuing Bank.
- 9.10 Issue monthly and ad hoc reports on the use of the program to various levels of management, as needed.
- 9.11 Support cardholders to resolve disputes (e.g., improper charges).
- 9.12 Act on all requests for P-card suspension or cancellation.

10.0 Requests for adds, changes, or cancellations of P-Cards.

- 10.1 All requests for new cardholders or changes to current cardholders will be documented by submitting "**Request for New/Change or Delete of Purchasing Card**" form. The form will be processed through the approving official to the P-Card Administrator and the CFO. In addition, the "**Procurement Card Application and Cardholder Agreement**" form must also be completed. All forms will be maintained on file by the P-Card Administrator.
- 10.2 All requests for purchasing cards must be approved by the Department Head and the CFO.
- 10.3 When P-Card Administrator receives the P-card from the issuer, the cardholder is to personally sign for their P-card utilizing the "**Procurement Card Signature Form**" which will be maintained on file by the P-Card Administrator.
- 10.4 All approved cardholders and approving official must go through training. Procurement and the Comptroller will conduct training annually or on an as needed individual basis.
- 10.5 If the cardholder leaves the program, he/she must return the P-Card to the Approving Official or the P-Card Administrator.

6.0 P-Card Security

- 6.1 The cardholder is responsible to safeguard his/her P-Card and account number.
- 6.2 The cardholder will be held financially liable and may be subject to disciplinary action, up to and including termination of employment for intentional misuse of a P-Card (e.g., use for non-business or non-public purpose). All disciplinary matters will be referred to the Human Resources Department for appropriate discipline.
- 6.3 If the P-card is lost or stolen, the cardholder must immediately notify the issuing bank. The cardholder must advise the banking representative that the call is regarding a P-Card. The P-Card Administrator and the Approving Officer must also be notified as soon as possible.
- 6.4 A new card will be issued to the cardholder after the reported loss or theft. A P-card that is found by the cardholder after being reported lost or stolen must be returned to the P-Card Administrator.

7.0 Cardholder Responsibilities:

- 7.1 Enter all required data into the Enterprise Spending Platform, including:
 - 7.1.1 Full and complete description of the business need and the public purpose of the transaction.
 - 7.1.2 Names of all attendees and the public purpose for meals.
 - 7.1.3 Correct transaction coding.
 - 7.1.4 Correct expense type.
 - 7.1.5 Other required information as indicated in the Enterprise Spend Platform.
- 7.2 Send all receipts to the P-Card Administrator by the 5th calendar day after the transaction month.
- 7.3 Resolve any disputes with vendors/suppliers.
- 7.4 Adhere to all aspects of this Policy.

8.0 Approver Responsibility:

- 8.1 Approve transactions on a timely basis within the Enterprise Spend Platform system before the monthly close of the monthly statement. (An email will be sent to the designated approver for cardholder transactions.) Note: At the bottom of the approval screen is a link "**View Statement Report**" which will provide the details including the description for all the transactions.
- 8.2 Ensure that each transactions is allowable under LYNX policies
- 8.3 Ensure that the description accurately supports the transaction.
- 8.4 Resolve any misuse or non-compliance issues with the Cardholder.
- 8.5 Notify the Comptroller immediately of any improper, unauthorized use, or non-compliant transactions.

11.0 Terminating Employee

- 11.1 The P-Card Administrator will notify the issuer and dispose of the terminated employee P-Card.
- 11.2 Human Resources will confirm at the exit interview that the P-Card is no longer active.

12.0 Disciplinary Action Guidelines

- 12.1 Any incident of improper or unauthorized use shall be immediately reported to the P-Card Administrator and the Comptroller.
- 12.2 The P-Card Administrator, under the direction of the CFO, may suspend or terminate cardholder privileges for improper or unauthorized use.
- 12.3 Improper or unauthorized use of the P-Card, as specified within this Policy, may subject the employee to appropriate disciplinary action, such as:
 - 12.3.1 Verbal and/or written reprimand.
 - 12.3.2 Suspension.
 - 12.3.3 Termination of employment.

The appropriate disciplinary action will be dispensed per LYNX's Human Resources Discipline Standards, HR-015.

- 12.4 In addition to any administrative and disciplinary action, the employee will be required to reimburse LYNX for the improper charges through payroll deduction or check to LYNX.
- 12.5 Failure to approve and justify transactions timely could subject the employee to appropriate action:
 - 12.5.1 **First Offense:** Suspension of cardholder privileges for a minimum of seven (7) days.
 - 12.5.2 **Second Offense:** Suspension of cardholder privileges for a minimum of thirty (30) days.
 - 12.5.3 **Third Offense:** Immediate termination of cardholder privileges and a written reprimand to be maintained in the employee's LYNX personnel file.
- 12.6 The Department Chief, based on consultation with the CFO, the individual and their supervisor, and pursuant to LYNX's Policies and Procedures will dispense the appropriate action.