

Issue Analysis Form



Date: 11/09/2021
Item: Policy Update –
Expense Reports and
Purchase Cards /
Accounts (170.1-170.3)
Lead Department(s): Finance
Contact Person(s): Betsy Drewry

Description and Current Status

Two revisions to existing Administrative Policy 170 entitled *Expense Reports and Purchase Cards / Accounts* are being recommended.

1. 170.1 - Addition of explicit monthly timeline and deadline for submitting Expense Reports / Reimbursement Requests
2. 170.3 (new Section 5) - The Commonwealth's Attorney requested an addition to existing to policy make provisions for staff to pay transportation and lodging costs for witnesses travelling to court proceedings when a financial hardship exists for that witness. Such costs will be limited to those approved by the Virginia Supreme Court, and reimbursement for those costs will be sought from the Virginia Supreme Court.

A draft of the recommended policy changes are included for board review with changes noted in blue.

A draft resolution is also included for consideration and approval.

Government Path

Does this require IDA action?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does this require BZA action?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does This require Planning Commission Action?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does this require Board of Supervisors action?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does this require a public hearing?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If so, before what date?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Fiscal Impact Statement

There is no additional fiscal impact to implement recommended policy revisions. Witness transportation and lodging costs will be reimbursed by the Virginia Supreme Court. The addition of a timeline and deadline for submitting expense reports and

reimbursement requests will lead to improved accountability and appropriate matching of expenditures to reporting time period, as required by accounting standards.

County Impact

Approval of the recommended policy changes will allow costs of witnesses to court proceedings to be covered in advance by the Victim Witness Coordinator and Commonwealth's Attorney staff when a financial hardship exists for a witness.

Additionally, improved accountability and matching of expenditures to reporting time period will result from making recommended policy change that outlines a monthly reporting requirement and submission deadline of the 15th of the following month.

Notes

COUNTY OF PRINCE GEORGE ADMINISTRATIVE POLICIES Prince George, Virginia	POLICY NUMBER: 170.1 through 170.3	Page 1 of 8
	SUPERSEDES: October 22, 2019	DATE ISSUED: November 9, 2021
	AUTHORIZATION: Percy C. Ashcraft, County Administrator	

Deleted: March 10, 2020

170.1 Expense Reimbursements

Expenses should generally be invoiced directly to the County or made using a County-issued Purchase Card (P-Card). Occasionally, individuals will incur County-related expenses that must be reimbursed to the employee. Policy 170.2 provides documentation requirements and procedures for all individual reimbursements. Policy 170.3 outlines purchase card (P-Card) documentation requirements. For travel related expenses, please also see the County's travel policy, Section 100.

All employees, departments and offices must prepare and submit expense reports / reimbursement requests no less frequently than on a monthly basis. Expense reports must include expenditures from the first business day of the month through the last business day of the month. Approved expense reports / reimbursement requests are due to the Finance Office by the 15th day of the following month (i.e. due October 15th for September monthly expenditures). The County Administrator reserves the right to deny expenditure reimbursement requests not submitted in accordance with policy requirements.

170.2 Expense Report Form

All requests for reimbursement must be itemized and documented on an expense report form. The report should only include expenses that the employee paid out of pocket; expenses paid directly by the County via invoice, travel advance, or County P-Card should not be included on this form. Detailed itemized receipts are required for reimbursement of lodging expenses, meals, gasoline, office supplies and other purchased goods or services. A receipt is also required for tolls, parking, and tips unless the employee certifies, by signature on the expense report, that receipts were unavailable, such as unmanned toll booths, honor box parking, etc. Employees assume responsibility for ensuring that proper documentation is attached to an expense report. They also accept the risk that they will not be reimbursed for expense claims that do not have proper documentation. For specific types of expenses, the following requirements apply:

1. Meals, Food, & Lodging

- All receipts for meals, food purchases, and lodging for out of town travel must include the following information:
- A detailed itemized receipt (to include the meals purchased or services provided)

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- b. The business purpose of the meal or lodging (lunch meeting on named topic, emergency/overtime work, etc.) and must include authorization for overnight travel: Travel Authorization Form with conference registration and itinerary
- c. The names of all those Prince George County attendees who attended meeting or conference (employee and non-employee) and whose costs are included on submitted receipt
- d. GSA limits and maximum gratuity must be followed for all food / meal purchases in accordance with Travel Policy, Section 100
- e. Employees / County Representatives may use the **Food Purchase Form** to provide needed information for business food purchases or add in writing such information on the face of the Purchase-Card receipt or on an attachment
- f. Employees must adhere to requirements of Policy 330 related to non-travel food purchases

2. Goods and Services

All receipts for goods and services must include the following information:

- a. An itemized receipt (to include a description of the commodity or service purchased and its purpose - if this is not preprinted the employee must provide the information on the face of the receipt, or on an attachment.)
- b. The business purpose of the purchase
- c. Use of public funds to purchase apps, additional i-cloud storage or monthly subscriptions on county devices for personal use is strictly prohibited. Any apps, additional i-cloud storage or monthly subscription fees that have a direct and specific use in the performance of an employee's job must be pre-approved in writing by the County Administrator and IT Director. Board approval must be obtained for such purchases by Board employees.

3. Mileage Reimbursements

Employees are responsible for documenting mileage on their personal cars for reimbursement, and mileage will be reimbursed at the rate set by the County Administrator. Only certain employees approved by the County Administrator in advance will receive mileage reimbursement. All other employees or volunteers will be required to check out county vehicles, in advance. Actual business mileage in a personal vehicle must be listed on the expense report, including the starting point, destination, and purpose in the description section of the report.

4. Gifts and Gift Cards

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Generally, the purchase of gifts or gift cards for **employees, interns or volunteers** using public funds is **prohibited**. Exceptions are:

- The Board of Supervisors, County Administration, and the Human Resources Department may purchase gifts / gift cards for employees for Board approved employee events as door prizes and/or tokens of meritorious action or service. The value of such gifts/gift cards must not exceed \$25.00 per gift.

The Social Services Department may purchase gas and retail store gift cards for distribution to their Virginia Initiative for Employment not Welfare (VIEW) clients. Each VIEW client is permitted to make purchases in accordance with a service plan. The log documenting the distribution of the gift card and receipts documenting use will be provided to the Finance Department once purchases are complete.

The Social Services Department may purchase gift cards as incentives for the Safe and Stable grant.

Following the distribution of gift cards, a **Prince George County Gift Card Distribution Log (or similar department-prepared log)** must be provided to the Finance Department that documents the recipient name, the amount of gift card and a recipient signature. Finance will file this log with the Expense Report or Purchase Card receipt.

5. Expressions of Sympathy and Concern

The **Human Resources Department**, at the direction of the County Administrator, may purchase flowers to express sympathy or concern to:

The family of a recently deceased –

- current employee;
- current Prince George County elected official;
- current Prince George County Board or Commission member;
- or current Prince George County volunteer.

A current employee, elected official, Board or Commission member, with a recently deceased spouse, child or parent.

The value of such flower arrangement must not exceed \$60.00 and will be sent on behalf of the Prince George County Board of Supervisors and County employees.

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Expressions of concern for an employee, elected official, or Board or Commission member who has or is recovering from a serious medical issue must be limited to a card.

6. Expense Report Approval

Expense reports must be approved by the employee's immediate supervisor and the Department Director (if applicable). The County Administrator will approve expense reports for Department Directors and Constitutional Officers. The Board of Supervisors will annually appoint a committee of two members to review and approve any expense report and supporting documentation for employees who report directly to the Board (County Administrator, County Attorney and County Clerk). Supervisors hold responsibility for verifying that expenses are supported by the required documentation, conform with County policies, were incurred on legitimate County business, and did not include amounts paid for alcohol, entertainment, or unauthorized persons. Supervisors are encouraged to review expense reports in conjunction with the employee's time sheet(s) and related invoices submitted for payment.

Under no circumstances will the County reimburse the purchase of alcoholic beverages. Employees must refer to Policy 330 to determine whether non-travel food purchases are allowable.

Employees are responsible for making sure their purchases are pre-approved by the Department Director. Purchases made without prior approval may be the responsibility of the employee.

170.3 Purchase Cards and Credit Card Accounts

Purchase cards (P-Cards) are to only be used for business purposes. Incidental personal expenses incurred in connection with County business (such as a family member's meal when accompanying an employee on County-related travel) are prohibited. Separate purchases must be made for personal items, alcoholic beverages and expenses for family members or travel companions. These items must not be purchased on the county p-card or credit card. The business purpose of the purchase must be clearly documented on the face of the purchase card receipt or on an attachment.

Under no circumstances may County purchase cards or purchase accounts be used to circumvent the County's procurement or travel policies. **The documentation requirements for purchases on the purchase card are the same as those for expense reports listed in Policy 170.2.** Employees must print order confirmations for Internet purchases made by purchase card. Department Directors assume responsibility for ensuring that proper documentation is provided and that charges are proper and the correct amounts have been charged.

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It is the responsibility of each employee to obtain a detailed itemized receipt at the time of purchase, and to maintain those receipts for submission to his/her Department Director and the Finance Department. Purchases, made for any purpose, that are not supported by a detailed itemized receipt will be considered unauthorized and the employee will be responsible for reimbursing the County for the full purchase amount within 30 days.

Cash advances on County purchase cards or credit cards are strictly forbidden. Cash refunds or in-store credits for returned items are also strictly forbidden. Such amounts must be credited to the purchase card account.

Employees with custody of County purchase cards are responsible for protecting them from theft, loss, or misuse. Lost or stolen County purchase cards and fraudulent charges must be reported to their Department head and the Finance Department immediately.

1. Meals, Food, & Lodging for out of town travel

All Purchase Card receipts for meals, food purchases, and lodging for out of town travel must include the following information:

- a. A detailed itemized receipt (to include the meals purchased or services provided)
- b. The business purpose of the meal or lodging (lunch meeting on named topic, emergency/overtime work, etc.) and must include authorization for overnight travel: Travel Authorization Form with conference registration and itinerary for each purchase card cycle in which those conference charges appear
- c. The names of all those Prince George County attendees who attended meeting or conference (employee and non-employee) and whose costs are included on submitted receipt
- d. GSA limits and maximum gratuity must be followed for all food / meal purchases in accordance with Travel Policy, section 100. Excess meal charges will be reimbursed to the County within 30 days or purchase card may be suspended
- e. Employees / County Representatives may use the Food Purchase Form to provide needed information for business food purchases or add in writing such information on the face of the Purchase Card receipt, or on an attachment
- f. Employees must adhere to requirements of Policy 330 related to non-travel food purchases

2. Goods and Services

All Purchase Card receipts for goods and services must include the following information:

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- a. A detailed itemized receipt (to include a description of the commodity or service purchased and its purpose - if this is not preprinted the employee must provide the information on the face of the receipt or on an attachment).
- b. The business purpose of the purchase
- c. Use of public funds to purchase apps, additional i-cloud storage or monthly subscriptions on county devices for personal use is strictly prohibited. Any apps, additional i-cloud storage or monthly subscription fees that have a direct and specific use in the performance of an employee's job must be pre-approved in writing by the County Administrator and IT Director. Board approval must be obtained for such purchases by Board employees. Employees must not link County purchase-card credit card account to i-tunes accounts to avoid erroneous personal charges.

3. Gifts and Gift Cards

Generally, the purchase of gifts or gift cards for **employees, interns or volunteers** using public funds is **prohibited**. Exceptions are:

- The Board of Supervisors, County Administration, and the Human Resources Department may purchase gifts / gift cards for employees for Board approved employee events as door prizes and/or tokens of meritorious action or service. The value of such gifts/gift cards must not exceed \$25.00 per gift.

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The Social Services Department may purchase gift cards as incentives for the Safe and Stable grant.

Following the distribution of gift cards, a **Prince George County Gift Card Distribution Log (or similar department-prepared log)** must be provided to the Finance Department that documents the recipient name, the amount of gift card and a recipient signature. Finance will file this log with the Expense Report or Purchase Card receipt.

4. Expressions of Sympathy and Concern

The **Human Resources Department**, at the Direction of the County Administrator, may purchase flowers to express sympathy or concern to:

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The family of a recently deceased –

- current employee;
- current Prince George County elected official;
- current Prince George County Board or Commission member;
- or current Prince George County volunteer.

An employee, elected official, or Board or Commission member, with a recently deceased spouse, child or parent

The value of such flower arrangement must not exceed \$60.00 and will be sent on behalf of the Prince George County Board of Supervisors and County employees.

Expressions of concern for an employee, elected official, or Board or Commission member who has or is recovering from a serious medical issue must be limited to a card.

5. Transportation and Lodging Expenses for Witnesses

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In certain limited instances where a witness expresses that a financial hardship exists for him/her to travel to participate in court proceedings, the Commonwealth's Attorney and his/her staff and the Victim Witness Coordinator and his/her staff may use their County-assigned purchase card to pay for transportation costs (taxi, bus, airfare, rental car, Uber or like transportation) and lodging costs for witnesses.

Detailed, itemized receipts must be submitted to the Finance Office that include a description of the court proceeding and witness name, along with a subpoena copy. Staff should explore the most economical feasible transportation mode and room rates. Overnight lodging will only be provided for the night before court proceedings if the witness is travelling more than 100 miles to the location of the court proceeding(s). Lodging for more than one night can be covered if the court proceeding(s) span two or more consecutive business days and the witness is travelling more than 100 miles to the location of the court proceeding(s). Lodging for the night following a court proceeding can be covered if the court proceeding ends later than 7:30 p.m. or if air travel is not available on the date of court proceeding.

Costs will be limited to those reimbursable by the Virginia Supreme Court and staff will seek reimbursement from the Virginia Supreme Court within thirty (30) days of the court proceeding(s).

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6. Credit Limits

All purchase cards are assigned a purchase limit. Requests for an increase in the limit must be submitted to the Department Director and approved by the Finance Director. Dividing purchases between purchase cards or other payment methods to stay within established limits is not permitted.

7. Sales Tax Exemption

Most County purchases are exempt from Virginia State Sales Tax. When making a p-card or credit card purchase, card users should remind the vendor of the County tax-exempt status and examine the receipt to verify sales tax was not charged. By State statute, the County is not exempt from sales tax for lodging or other accommodations. The County is not exempt from sales tax imposed by other states on goods and services.

Cardholder can request a Tax Exempt form from Finance, and the County's tax exempt number is on each p-card. Tax exemptions are ONLY to be used when making purchase for official County business. Employees may be required to return to the store to get the sales tax dismissed. In other circumstances, sales tax may not be reimbursed.

8. Purchase Card Reports and Credit Card Statements

Purchase card reports must be reconciled, coded and approved by the Department Director or his/her designee. Department Directors are responsible for submitting purchase card reports and supporting documentation to the Finance Department in a timely manner so they may be paid prior to the date payment is due. County Credit Card statements must be reconciled with receipts, coded and returned to finance immediately to avoid late fees. Department Directors may be held responsible for late penalties and finance charges if statements are not submitted to Finance prior to the date due.

9. Audit

It is the policy of the Finance Department to annually audit a percentage of reimbursement requests and/or purchase card expenditures.

10. Fraudulent use of the Purchase Card or Credit Card

Use of the Purchasing card or credit card for personal or non-county expenses may result in termination of the card account and the cardholder may be subject to potential disciplinary action up to and including termination of employment and criminal prosecution.

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11. Approval of Purchase Card and Credit Card Transactions

Purchase card / credit card receipts and monthly statements must be reviewed and approved by the employee's immediate supervisor and the Department Director (if applicable). The County Administrator will review and approve purchase card / credit card receipts and monthly statements for Department Directors and Constitutional Officers. The Board of Supervisors will annually appoint a committee of two members to review and approve the purchase card / credit card receipts and monthly statements for employees who report directly to the Board (County Administrator, County Attorney and County Clerk). Supervisors hold responsibility for verifying that expenses are supported by the required documentation, conform with County policies, were incurred on legitimate County business, and did not include amounts paid for alcohol, entertainment, or unauthorized persons. Supervisors are encouraged to review purchase card / credit card receipts and monthly statements in conjunction with the employee's time sheet(s). Approvals must be documented by a signature on the monthly credit card / purchase card statements.

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 9th day of November, 2021:

Present:

Vote:

Floyd M. Brown, Jr., Chairman
Marlene J. Waymack, Vice-Chair
Alan R. Carmichael
Donald Hunter
T. J. Webb

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On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

**RESOLUTION; PROPOSED REVISIONS PRINCE GEORGE COUNTY
ADMINISTRATIVE POLICY; SECTION 170.1 THROUGH 170.3,
ENTITLED *EXPENSE REPORTS AND PURCHASE CARDS / ACCOUNTS***

WHEREAS the Prince George County Personnel policy has been reviewed by staff and it has been determined that the existing policy entitled *Expense Reports and Purchase Cards / Accounts* requires modifications; and

WHEREAS those modifications are comprised of

1. The addition of a timeline and deadline for submitting Expense Reports / Reimbursement Requests; and
2. The addition of a section that permits the Commonwealth's Attorney or Victim Witness Coordinator and his/her staff to pay transportation and lodging costs for a witness to a court proceeding who has a financial hardship, and seek reimbursement from the Virginia Supreme Court for those costs.

NOW, THEREFORE, BE IT RESOLVED, That the Board of Supervisors of the County of Prince George this 9th day of November, 2021, does hereby amend the Prince George County Administrative Policies by revising the policy entitled *Expense Reports and Purchase Cards / Accounts* as requested.

A Copy Teste:

Percy C. Ashcraft
County Administrator