



UTILITY PAYMENT CARD POLICY

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INTRODUCTION

Welcome to the JPMorgan Chase Bank Utility Payment Card Program with Williamson County! This program is designed to help better manage recurring utility payments for county departments. The success of the program and its continuing use depends on user participation and cooperation. Please be sure to read and follow the program guidelines as specified within this manual.

PURPOSE

The purpose of Utility Payment Card Program rules and procedures is to accomplish the following:

- ✓ Provide an efficient method of paying for recurring utility expenses. The Utility Payment Card shall ONLY be used for county related utility payments from a Commissioners Court exempted and/or approved list of vendors.
 - ✓ Reduce paperwork involving utility payments and the administrative cost of high-volume transactions.
- void possible misapplications, late fees, lost payments, and/or disruption of service.
- ✓ Enable the payment of utilities, by telephone, on the internet, or in person or directly from approved suppliers. The card is intended to be used for:
 - Water
 - Electricity
 - Gas
 - Internet
 - Phone
 - Trash
 - Cable
 - ✓ Improve management reporting on utility payments.
 - ✓ Develop reasonable and enforceable rules, procedures and audit controls.
 - ✓ Provide for disciplinary action if the Utility Payment Card is misused.

PROCESS OVERVIEW

The Utility Payment Card shall be issued to one (1), designated and trained employee per department. One person, generally the department coordinator, shall be responsible for tracking all utility transactions on a payment card log and obtaining all invoices, receipts and documentation from the utility suppliers to submit with a monthly statement to the Auditor's Office. The department coordinator, who signs the cardholder agreement at the time the card is issued, shall follow all rules and procedures as set forth in this manual. Failure to follow procedures as set forth in in this manual may lead to disciplinary actions. This card shall reside under the responsibility of the department coordinator or designated person entrusted and assigned the Utility Payment Card.

PROGRAM BENEFITS

Utility Payment Cardholders - You will be able to make your department's utility payments through the vendor payment portals or over the telephone. It avoids possible misapplications, late fees, lost payments, and/or disruption of service.

Suppliers - The Utility Payment Card will be welcomed by suppliers who accept MASTERCARD.

Accounts Payable – The program allows the county's Accounts Payable team direct line of sight to utility payments and greatly reduces the time needed to track and reconcile these accounts. This payment method significantly reduces the workload and processing costs related to the payment of utilities.

Rebate Program – Williamson County receives a rebate from JP Morgan Chase on all expenditures run through the program.

SUMMARY OF PROGRAM

Williamson County, Texas has contracted with JPMorgan Chase Bank for a Utility Payment Card Program. All cards are issued at the request of the department and authorized by the Accounts Payable team.

Please read all instructions, rules and procedures carefully. The signature on the Cardholder Agreement indicates understanding the intent of the program and that the cardholder agrees to adhere to the established rules and procedures. The Program Administrator will issue the Utility Payment Card after receipt of the signed agreement. The cardholder will be required to attend training provided by the Purchasing Department and Accounts Payables Department before receiving the card. The cardholder may then begin using the card immediately.

Record keeping is essential to ensure the success of the program. Standard payment policies require retention of receipts and other documentation. As with any card, the cardholder must retain receipts, and invoices.

Each Utility Payment Card has also been assigned a monthly total dollar limit, a single daily transaction limit, and a Merchant Category Code (MCC) Buying Group which will include or exclude designated merchant types specifically customized for each cardholder according to the utility payment requirements needed by their department.

Payments must be for the use and benefit of Williamson County. NO PERSONAL PAYMENTS ARE ALLOWED. In the event inadvertent, incidental personal charges appear on a County Payment Card the expense must be reimbursed to the county immediately.

Utilities are usually paid by JPMorgan Chase Bank within three (3) business days of the transaction. The card is issued in the department's name and under the corporate name of Williamson County.

The Utility Payment Card is a county asset and is required to be tracked in Service Now. It is also a form of payment and therefore subject to the guidelines set by law and the County Purchasing Act.

Payments using a Utility Payment Card are to be made *after* an invoice is received.

APPROVED VENDOR CATEGORIES

- Water
- Electricity
- Gas
- Internet
- Phone
- Trash
- Cable

DISCRETIONARY PURCHASING EXEMPTIONS

Texas State Local Government Code 262.024 provides the following purchasing exemption for utility payments. This exemption allows cardholders to pay for utility bills without the requirement for competitive quotes or oversight from the Purchasing Department. Utility payments can be made directly to approved utility vendors.

Sec. 262.024. DISCRETIONARY EXEMPTIONS. (a) A contract for the purchase of any of the following items is exempt from the requirement established by Section [262.023](#) **if the commissioners court by order grants the exemption:**

(7) an item that can be obtained from only one source, including:

(C) electric power, gas, water, and other utility services;

HOW THE CARD WORKS

The Utility Payment Card shall be used like a credit card. Please be aware of the following:

✓ County departments are responsible for all charges made on the Utility Payment Card. Unlike personal credit cards, which have limited liability if lost or stolen, unless the proper procedures in reporting lost or stolen cards are followed, the county may be liable for all payments made with a Utility Payment Card.

✓ There is no personal liability on the card unless the cardholder violates the terms of the card use set forth herein or as specified in the Cardholder's Agreement.

✓ The transactions charged to a Utility Payment Card are billed directly to Williamson County by JPMorgan Chase Bank.

✓ Expense Reports are monthly billing statements that are downloaded from the JPMorgan Chase website, by the Department Coordinator. **An annual list providing all monthly cycle dates on which Expense Reports must be downloaded, printed and reconciled is made available each year by the Purchasing Department.** The list can be found on the Purchasing Portal SharePoint site in the *Procurement Card* section under *Forms and Tools*.

It is highly recommended that this list of dates be entered into the Department Coordinator's Outlook Calendar to provide monthly reminders of these key dates.

FRAUD AND UNRECOGNIZED TRANSACTIONS

Unauthorized or fraudulent transactions charged to the county and lost or stolen cards must be immediately reported to JP Morgan Chase, the Utility Payment Card Administrator and the cardholder's department head.

- JPMorgan Chase Bank: 1-800- 890-0669
- Kim Chappius, Utility Payment Card Administrator: 512-943-1478
- Andy Portillo, Utility Payment Card Administrator: 512-943-3860

Lost or stolen cards must also be reported by selecting the Lost/Stolen option on the Purchasing Card Request form in Service Now. DO NOT disable the card. Disabling the card in Service Now would prompt having to request a brand-new card in Service Now with a new application that is set up for first time cardholders only.

TRANSACTION DENIED

Cardholders shall call JPMorgan Chase Bank: 1-800- 890-0669 if a transaction is denied to address the issue. In the event that JPMorgan Chase Bank cannot resolve the issue then the cardholder shall contact a Utility Payment Card Administrator for additional support.

UTILITY PAYMENT CARD PICK-UP

After a card has been issued by JPMorgan Chase it will be sent to the Purchasing Department. The cardholder will be notified by email and asked to attend a 5 to 10-minute orientation. If the cardholder fails to pick up the card within two weeks following the notification email, a second reminder will be sent out. The card will be destroyed, and the card account will be canceled if the card has not been obtained within 30 days of the second reminder.

The Utility Payment Card expires after three years. Approximately one month before the expiration of the card JPMorgan Chase will automatically send a new card to the Purchasing Department. The card holder will be notified by email and will have to return the old card to the Purchasing Department before the new card can be issued. If the cardholder fails to pick up the card within two weeks following the notification email, a second reminder will be sent out. The card will be destroyed and the card account will be canceled if the card has not been obtained within 30 days of the second reminder.

INFRACTIONS AND MISUSE

Cardholder infractions are a serious issue and may result in disciplinary action including:

- Retraining
- Suspension of account

Theft, fraud, or intentional policy violations may result in permanent closure of account or termination of employment, based on severity of violation.

Suspended or cancelled Utility Payment Cards must be returned to Purchasing within 24 hours after receiving a notice.

UTILITY PAYMENT CARD RESPONSIBILITY

Department Head

The Department Head or designated Manager is responsible for approving Utility Payment Card applications, assigning a department coordinator, and submitting applications to the Utility Payment Card Program Administrator through Service Now.

The Department Head's approval delegates transaction authority to the Cardholder. Additional Department Head responsibilities include but are not limited to:

- ✓ Assist in determining spending level needs, make any subsequent changes in spending limits and all information needed within established guidelines. Limit changes must also be requested through the Purchasing Card Request form in Service Now.
- ✓ Review or delegate review of each cardholder's monthly transactions charged to appropriate account code.
- ✓ Signs Cardholder's Expense Report and forwards to Department Coordinator.
- ✓ Advise the Program Administrator by email when a cardholder is transferring to a new department. Utility Payment Cards will be cancelled upon the transfer of a cardholder to a new department and a new card may be issued at the discretion of the new department by submitting a Utility Payment Card Request in Service now for a new card. Follow request to cancel procedures as shown above.
- ✓ Cancelling all Utility Payment Cards of terminated or transferred employees:
 - Requests cancellation of card in the Utility Payment Card Request Form in Service Now before Termination is entered.
 - Returns card to the Program Administrator for immediate cancellation.

Cardholder

The Cardholder is responsible for possession of the Utility Payment Card, tracking all department utility accounts and making payment of utility invoices by the required due date.

Additional card holder responsibilities include but are not limited to:

- ✓ Creating on-line payment accounts and profiles with each utility where available.

✓ Submitting paid receipt with monthly statement to Department Coordinator or Accounts Payable as instructed.

✓ Working with each utility to resolve any billing disputes.

✓ Reporting suspected fraudulent use, lost or stolen cards to JP Morgan Chase and the Program Administrator immediately.

✓ Following all guidelines in the Utility Payment Card Policy and User Manual.

Accounts Payable

The Accounts Payable Department audits and verifies monthly Utility Payment Card transactions. Accounts Payable also communicates closely with the Utility Payment Card Administrator about cardholder infractions and issues.

Additional Accounts Payable responsibilities include but are not limited to:

✓ Receive monthly billing statement from JPMorgan Chase Bank.

✓ Receive monthly Expense Reports with attached receipts from all Cardholders.

✓ Monitor/audit all Utility Payment Card transactions each month to verify the following:

- Detailed invoices or receipts are included for each payment.
- Back-up documentation is included.
- Personal purchases have not been made on the County Utility Payment Card.

✓ Provide written documentation with a recommendation to the Program Administrator of any Cardholder infractions, suspensions, or cancellations to be implemented.

✓ Submits payments to JPMorgan Chase Bank.

✓ Notifies Purchasing Director and Utility Payment Card Administrator of all rebate funds received from JPMorgan Chase Bank.

JPMorgan Chase Bank

JPMorgan Chase Bank is the issuer of the Williamson County Utility Payment Card Program.

Their responsibilities include:

✓ Activities related to the underwriting, promotion, and issuance and servicing of the card.

✓ Providing Smart Data Online web-based reporting system for posting all transactions to the account and includes all cardholder accounts for review.

- ✓ Processing lost, stolen, canceled or reassigned cards as reported to them by the Program Administrator.

- ✓ Assist in processing errors and disputes with suppliers as necessary.

Program Administrator/Purchasing Department

The Program Administrator serves as the primary contact for the Williamson County Utility Payment Card Program. The Program Administrator acts as the intermediary for establishing and maintaining all management reports, procedures, training, card maintenance and monitors the overall performance of the Program.

Program Administrator responsibilities include but are not limited to:

- ✓ Coordinating the Utility Payment Card Program procedures and maintaining Utility Payment Card Program User Manual and maintains internal controls

- ✓ Processing properly authorized card requests, card changes, card limits and card cancellations, as approved by Department Heads.

- ✓ Providing training programs for all county departments and stakeholders.

- ✓ Administrating web based Smart Data Online (SDOL) applications internally and externally.

- ✓ Reports non-received cards to JPMorgan Chase immediately.

- ✓ Alerts all cardholders immediately, if merchant fraud is detected or suspected.

- ✓ Works with Accounts Payable on any cardholder infractions, suspensions, or cancellations to be implemented.

- ✓ Reports employee fraud to Department Head, Human Resources and proper law enforcement.

Auditor's Office

The Auditor's Office performs an internal audit on the Utility Payment Card program each year. This includes but is not limited to:

- ✓ Review and verification of random sampling of active and expired cards to verify that all activation and termination procedures have been followed.

- ✓ Review and verification that all authorized Service Now request are reflected within the JP Morgan Chase Smart Data platform.

TAX EXEMPT INFORMATION

Purchases made with the Utility Payment Card are Sales Tax Exempt. The county Sales Tax Exemption Form can be located on the Purchasing Portal SharePoint site, in the *Forms and Tools* section under Sales Tax. It can be downloaded and either emailed or faxed to any requesting supplier if needed. Cardholders shall verify that no sales tax is being charged prior to payment of invoice with the Utility Payment Card.

EQUENTLY ASKED QUESTIONS

Q: Can I send someone in my place to pick up my new or replacement Utility Payment Card?

A: No. All cards must be picked up by the Cardholder for whom the card was requested. Forms must be signed and instructions given to the Cardholder at the time the card is picked up.

Q: I have requested a new card. What do I do with the old card?

A: The old card must be turned in to the Program Administrator at the time the new card is picked up.

Q: How can I check the balance of my card to determine my payment limits?

A: Call JPMorgan Chase Bank: 1-800- 890-0669 for customer service and they can provide you with your available balance. If you have additional issues or problems, please contact the Program Administrator.

Q: My card is about to expire. What happens and when?

A: The card is active until the end of the month in which it expires. A new card will automatically be sent to the Program Administrator in advance of the expiration of your current card and you will be notified when the card arrives so that you can pick it up and sign any needed documents.

Q: How do I report a lost or stolen card?

A: First, immediately report lost or stolen cards to JPMorgan Chase Bank. Secondly, notify a Program Administrator.

- JPMorgan Chase Bank: 1-800- 890-0669
- Kim Chappius, Utility Payment Card Administrator: 512-943-1478
- Andy Portillo, Utility Payment Card Administrator: 512-943-3860

Additionally, do not request or accept a new replacement card directly from JPMorgan Chase Bank. The Program Administrator will request a new card if applicable and follow up with distribution of the new card. A new Cardholder agreement must be signed in order to receive the new card.

Q: How do I make changes to my information or card limits?

A: Your department coordinator and/or Department Head must advise the Program Administrator by submitting a completed Utility Payment Card Request Form in Service Now of any limit changes of cardholders. The Program Administrator will make the appropriate changes to the cardholder's account.

Q: What do I do when there is an error or dispute while using my Utility Payment Card?

A: Errors and disputes occur when charges on the monthly Expense Report appear to be incorrect. Immediately try to resolve the dispute with the utility. Disputed items must be resolved and should appear on the next billing cycle report.

If you are unable to resolve the dispute with the utility, you should immediately notify your Department Coordinator or Department Head. Provide names and dates of persons contacted, copies of correspondence, and other documentation associated with any attempts to resolve the dispute.

Do not delay turning in Expense Reports to the Department Coordinator due to a dispute with a supplier. Expense Reports must be turned in with all receipts and documentation.

You should keep a copy of all documents to continue disputing transaction until resolved or if the determination is made to formally dispute the transaction with the Bank.

The Procurement Card Administrator should be informed of all possible disputes. Allocate the transaction to the proper account code and allocate any credit for the resolution of the disputed charge to the same account code when it appears on the following monthly Expense.

Q: Who do I call if I have questions or problems with my card?

A: Contact one of the Program Administrators:

- Kim Chappius, Utility Payment Card Administrator: 512-943-1478
- Andy Portillo, Utility Payment Card Administrator: 512-943-3860