

PERSONNEL POLICY MANUAL

POLICY: 101

APPROVED: _____

Purpose: To state the City of Estacada's policy on business use of VISA credit cards.

Scope: All Departments

Procedure:

General Statement of Policy – The City of Estacada has obtained Business VISA cards for use by the City Manager and Department Heads. The card is to be used for business related expenses and/or emergency purchases only and is not intended to replace nor is a substitute to the current City Purchasing Policies and Procedures. Cards will be distributed to:

- City Manager
- Lead Plant Operator
- Public Works Director
- Library Director
- City Recorder/Finance Director

Purpose and Uses

1. The purpose of the Business VISA card is to accommodate business related expenses and/or charges that are small amount in nature and to provide the employee with the convenience of paying for expenses incurred while on official City business attending meetings representing the City, attending conferences or workshops where meals are not provided, and for purchases that are emergency in nature and that time is of the essence where the issuance of a purchase order may delay the receipt of the goods and/or merchandise.
2. Only those persons to whom a Business VISA card is issued can authorize purchases using the card.
3. The VISA card may be used to pay for small purchases where the City does not have established credit with the vendor or where the purchase is so small that it is inconvenient to issue a purchase order or handle all the paperwork that is associated with making a purchase. The use of the card for cash advances, cash refunds and purchases that are personal in nature is a violation of this policy.
4. The VISA card has a credit limit of Three Thousand Dollars (\$3,000).

5. The VISA cardholders are responsible for, required to and must:
 - a. Ensure that he/she has sufficient budgetary authority to incur the charge and that there is sufficient amount available from his/her department budget to pay for the expenditure.
 - b. Adequately identify and provide the original copy of the charge slip and/or receipts of all purchases/charges as shown on the monthly VISA card statement including the quantity and description of items purchased, if not available, to the City Recorder's Office. All credit card charges that are properly documented and authorized will be paid. Charges will not be processed that do not have the approval of the appropriate department head. It is the cardholder's responsibility to provide adequate documentation and proof of the appropriateness of the charges to their account.
 - c. Secure approval of the City Manager, where necessary.
6. The cardholder must reimburse the City for any unauthorized charges or use of the card within seven (7) days after being notified of the violation.
7. Any disallowed charges (including finance charges) may be deducted from the cardholder's paycheck if deemed necessary.
8. It is the cardholder's responsibility to immediately notify the City Manager if the card is lost or misplaced so that proper arrangement can be made with the bank to cancel the card.
9. Any violation or non-compliance with this policy may result in the revocation of the employee's right on the use of the VISA card, certain disciplinary action up to and including termination of employment.
10. Whenever an employee to whom a card has been issued leaves city employment the Business VISA issued to them will be destroyed.

**CITY OF ESTACADA, OREGON
BUSINESS VISA CARD AGREEMENT**

I hereby acknowledge receipt of the City's Business VISA Card with the following number:

As a cardholder, I agree to comply with the terms and conditions set forth in this agreement. I hereby acknowledge that I have read and have received a copy of the City's Administrative Policy and Procedure governing the use of City Business VISA Cards and agree to comply with the provisions on the use of card, documentation requirements and approval requirements.

I understand the card should only be used for purchases/charges of business related items and/or for emergency business related purposes only and should not be used in lieu of the current City Purchasing Policies and Procedures.

I further understand that improper use of this card for prohibited expenditures and charges, including cash advances, cash refunds and personal purchases may result in disciplinary action, up to and including termination of employment.

I also agree that I have to reimburse the City for any and all charges made to my VISA card that are in violation of the allowable charges in accordance with this agreement. In the event I fail to reimburse the City within seven (7) days after being notified of the violation, I hereby authorize the City Recorder's Office to deduct the disallowed charges from my salary. I also understand the City may collect such amounts, even if I am no longer employed by the City.

I understand and acknowledge that the City may terminate my right to use this card at any time, for any reason and I agree to return the card to the City immediately upon request, change of employment or upon termination of employment.

With my signature below, I hereby acknowledge that I have read and fully understand the provisions contained in this agreement and hereby acknowledge receipt of the Business VISA card.

Cardholder:

Signature: _____

Date: _____

Print Name: _____

Department: _____

Phone Ext. _____

Authorized By: _____

Date: _____

City Manager

RESOLUTION NO. 2006-04

A RESOLUTION AUTHORIZING USE OF TLC FEDERAL CREDIT UNION (TLC) VISA CREDIT CARDS BY DEPARTMENT HEADS

WHEREAS, the City Council in September 1999 authorized the use of a TLC (lender) line of credit by the Administrator, Public Works Director and Fire Chief; and

WHEREAS, TLC requires the City Council at an official meeting to authorize the aforementioned individuals to use said line of credit; and

WHEREAS, any and all acts authorized pursuant to this resolution and performed prior to the passage of this resolution are hereby ratified and approved, that this resolution shall remain in full force and effect and lender may rely on this resolution until written notice of its revocation shall have been delivered to and received by lender. Any such notice shall not affect any of the City's agreements or commitments in effect at the time notice is given; NOW THEREFORE

THE COMMON COUNCIL OF THE CITY OF GARIBALDI RESOLVES AS FOLLOWS:

Section 1. That the City of Garibaldi hereby authorizes Kevin M. Greenwood, Administrator; Wayne Schultz, Public Works Director; and Jay Marugg, Fire Chief each the use of a \$2,500 line of credit at TLC Federal Credit Union.

Section 2. Upon change of the aforementioned authorized users, the City Council will amend Section 1 of this resolution through separate resolution and notify TLC of the change.

PASSED BY THE COMMON COUNCIL AND APPROVED BY THE MAYOR, this 17th day of January, 2006.

Hon. Everett M. Brown, Mayor

ATTEST:

John O'Leary, City Recorder



ADMINISTRATIVE PROCEDURES

Section: Finance/Information Technology
Subject: Procurement Card Purchasing Policies, Forms, and Procedures
Effective Date: October 5, 2005 **Procedure No.:** 12

Background.

In May 2003, the City implemented the Purchasing Card Program so staff could more efficiently purchase items, which would otherwise cost the City a lot of time to process. Efficiencies however, come at a risk and with an increased expectation of responsibilities.

Purchasing Policies, Forms and Procedures.

The “Procurement Card (P-Card) Purchasing Policies, Forms, and Procedures” is incorporated into this procedure, which may be changed from time to time to reflect updated procedures.

Internal Controls.

1. All receipts supporting purchases are required to be attached, referenced, and archived with each P-card's monthly statement;
2. Each P-card holder's monthly statement must be signed-off as approved by their supervisor, or another supervisor carrying sufficient signing authority for each amount purchased;
3. Each P-card holder codes each purchase as an appropriate City expense with a GL account number through the City's intranet procurement card system and electronically submits it monthly to Finance;
4. Finance reconciles these monthly submissions to its Master Statement and obtains an overall approval by the Finance Director;
5. Finance selects unusual items, items of interest, and random employees each month for a compliance internal audit. This compliance internal audit looks for evidence that procedures #1 through #3 above have occurred properly each month (these internal audits

of compliance are scheduled to occur on 100 percent of P-card holders every year, and more frequently for heavier users).

6. Finance cancels P-cards of any employee that does not follow these above-listed absolute expectations (with any issues being taken up with the department supervisor), as well as all employees who leave City employment.

Appropriate P-card Use:

1. Authorized City purchases only;
2. Absolutely no personal purchases;
 - Note #1: The City's auditors have informed the Finance Department that even mistaken use of City's P-card for personal use is a "prima facia" violation of the State's ethics policy (even with an immediate and subsequent reimbursement by the employee). When this occurs, reimbursement by the employee should be made immediately, which will then be copied and attached to the P-card statement as evidence of reimbursement.
 - Note #2: There may be some traveling situations where personal expenses are involved (such as a spouse's portion when on conference). Your personal credit card must be used in these cases (as opposed to using City's P-card for everything and reimbursing for the personal portion).

Management Expectations:

1. All receipts are saved, retained, and attached to monthly statements (within 3 months after each fiscal year end, Finance will request all of these files for filing and archiving)
2. Each monthly statement is coded, submitted to Finance, and signed-off by the appropriate supervisor;
3. No personal purchases whatsoever - in the event that an inadvertent mistake has occurred, the immediate submission of a check reimbursing the Finance Department is required.

Summary:

Department directors have been briefed on the various expectations of P-card use. If employees have any questions about any of the above, they can either talk with their supervisor or the appropriate staff in the Finance Department.

City of Lake Oswego



P-CARD PURCHASING POLICIES, FORMS, & PROCEDURES

*Original date of preparation: May 2003
Updated for Forms & Examples: September 2005*

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Overview

Congratulations! The City of Lake Oswego has empowered you with an alternative method for making indirect material and service purchases. The card will simplify the purchasing process and reduce overall costs by reducing the number of purchase orders, petty cash transactions and other cumbersome forms of purchasing activity.

Please read this manual in its entirety. The Cardholder Manual provides information regarding the Purchasing Card process, approved purchases, supplier acceptance, record retention, monthly reconciliation and additional program information.



To Obtain A Card

Complete the Purchasing Card New Account Application and Change Record. You may indicate either your home or office address on the form. Please do not use any special characters in these fields. Also, in the future, you may use this form to make any changes to your card including employee name change, termination and transfers.

Read carefully and sign the Agreement to Accept the Purchasing Card; ask your manager to sign the agreement as well and present it with along your New Account Information Record to receive your U.S. Bank Purchasing Card. Your manager's signature is required on the form prior to card issuance. All requests must be processed through the Plan Administrator. (Carol Bryck)

When you receive your card, call the 1-800 on the label attached to your card to activate its use, sign the back and keep it in a secure place. Although the card is issued in your name, it is the property of the City and is only to be used for approved City purchases.

General Information

- The program helps to eliminate the use of petty cash, cash advances, requests for checks, local check writing and the use of personal funds reimbursed by an expense report;
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- The program is not intended to avoid or bypass appropriate purchasing or payment procedures. The program is intended to complement the City of Lake Oswego's existing processes;
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- The card is not to be used for personal use;
-
- *The program can be used for both purchases at a merchant location as well as for mail, fax or internet orders;*
-
- *The U.S. Bank Purchasing Card may be used at any supplier who accepts the Visa® card throughout the United States or any other country;*
-
- Employees are required to supply their social security number to receive a card. This number is used to activate a newly delivered card. It protects both the cardholder and the company from the use of a lost or stolen card. U.S. Bank advises that if any employee is unwilling to provide this number, they should not be allowed to have a card;
-
- You are responsible for the security of your card(s) and the transactions made with the card(s). The card is issued in your name and it will be assumed that any purchases made with the card will have been made by you. A card used out of compliance with the guidelines established for this program will result in severe consequences, up to and including termination of employment.

Using the Purchasing Card

The cardholder may visit, call, fax, email a supplier or order via the internet to initiate a purchase. Request that the supplier charge the purchase to your purchasing card or card number. For frequent purchases with a specific supplier, providing your card number for their files would better facilitate transactions.

For phone or fax orders, instruct the supplier on specific shipping instructions. Your name and mail code should be placed on the shipping label. Further instruct them to write "Visa Purchase" on the shipping label or package.

Approved Purchasing Card Uses

- Subscriptions, seminars, books, video tapes
- Catering or small dining services
- Laundry of uniforms, lab coats, etc.
- Miscellaneous maintenance requirements
- Sympathy, congratulation flowers
- Office supplies, forms
- Computer forms, software, maintenance expenses
- Electronic database services
- Automotive repair for field personnel
- Postage

Non-approved Purchasing Card Uses

- Any personal use
- Any item exceeding your single purchase limit in value
- Any merchant, product, or service normally considered to be inappropriate use of City funds

Purchasing Card Program Restrictions

No transaction may exceed your single purchase limit in value. If you have an unusual, one-time transaction, which will exceed the limit, notify your manager, who will ask the Plan Administrator to contact U.S. Bank. U.S. Bank can then manually approve the transaction. Each card has been assigned an individual monthly credit limit. The limit is based on previous purchasing activity. If you find over time that the limit is too low to accommodate your monthly requirements, please contact your manager to re-evaluate your limit. If your manager agrees that it would be appropriate to raise your limit, the manager should contact the Program Administrator so that U.S. Bank personnel can perform appropriate maintenance. U.S. Bank will not change your credit limit without the approval of the Plan Administrator. The monthly cycle ends on 15th of each month. You will receive your statement from U.S. Bank 3-5 days after. Also, your account will be reset to zero on the day after the cycle date.

Some suppliers have been "blocked" from usage in the program. If you present your card to any of these suppliers, the transaction will be declined. It is likely that any supplier you currently utilize as a source for products or services will accept your card. If you are declined and feel the decline should not have occurred, call the 800 number on your card. U.S. Bank Customer Service will determine if you were declined because of merchant blocking or having exceeded the monthly credit limit or single-purchase limit imposed on your card.

Reconciliation and Payment

The U.S. Bank Purchasing Card Program carries corporate, not individual, liability. The Accounts Payable Department will pay invoices. You will not be required to pay your Monthly Reconciliation Statement using your own funds. Your manager's signature will be required to verify his/her approval of your monthly purchases upon receipt of your statement. The program does not impact your personal credit rating in any way.

You are required to retain all receipts for goods and services purchased. If you initiate purchases via phone or mail, ask the supplier to include the receipt with the goods when the product is shipped to you. Each cardholder will receive a statement identifying each transaction made against the card during the previous billing cycle.

The statement will be mailed to you at the address identified on your New Account Information Record. When you receive your statement, review it for accuracy, attach the sales receipts that you have retained during the purchasing cycle to the back of the statement in the order in which they appear on the statement. Finally, send your reconciled statement and attached receipts to your manager for review and approval. The statement will be retained by you for audit purposes. Complete a Purchasing Card Transaction Summary via the City intranet at <http://lo-web1/procurement/> indicating the account number to be charged for each purchase.

Actual payment of a central invoice will be made by Accounts Payable, but your activity may be audited at any time.

If Your Records and Statement Do Not Match

There may be occasions where you find items on your statement that do not correlate with your retained receipts. You may not have made the transaction, the amount of the transaction is incorrect, or you have a quality or service issue.

Your first option is to contact the supplier involved to try to resolve the error. If the supplier agrees that an error has been made, he will credit your account. If you are keeping a log, highlight the transaction in question on your log as a reminder that the item is still pending resolution.

If the supplier does not agree that an error has been made, contact U.S. Bank Customer Service at 1-800-344-5696. State that you would like to dispute a charge on your card. You will be asked to submit the information in writing so that U.S. Bank can research the disputed item. You may fax the completed form to your representative at U.S. Bank. The amount of the next invoice will be reduced by the amount of the disputed item until the transaction in question is resolved.

Any transaction you wish to dispute must be identified in writing within 60 days of the statement date. U.S. Bank will then resolve disputes within 90 days.

You are responsible for the transactions identified on your statement. If an audit is conducted on your account, you must be able to produce receipts and/or proof that the transaction occurred. If an error is discovered, you are responsible to show that the error or dispute resolution process has been completed.

Lost or Stolen Cards

The U.S. Bank Purchasing Card is City property and should be secured just as you would secure your personal credit cards. If your card is lost or has been stolen, contact U.S. Bank Customer Service immediately at 1-800-344-5696, and notify the Plan Administrator. Your verbal request must be followed up with written confirmation of cancellation by mail or fax.

Upon receipt of your call, further use of the card will be blocked. Prompt action in these circumstances can reduce the company's liability for fraudulent charges. This call can also be made if your statement is lost or stolen.

Supplier Acceptance

Anyone from whom you currently purchase goods or services should be considered a potential supplier in the U.S. Bank Purchasing Card Program — even if they do not currently accept Purchasing Cards. The program is not restricted to retail suppliers. We encourage suppliers to become involved in the U.S. Bank Purchasing Card Program as this enables cardholders to more effectively use the program. Suppliers are paid within three days of your business transaction.

Suppliers should work through the Program Administrator but may contact U.S. Bank, their local bank or financial institution to become Visa capable. Any of these institutions will be able to set a supplier up to process all types of charge card transactions, from any company or individual.

Suppliers should make every attempt to ensure that the cardholder receives a sales slip in lieu of an invoice that would have normally been sent to Accounts Payable. This documentation must include an itemized list of the purchase(s), including the amount of each line item with any sales and/or freight tax. In doing so, you will avoid any instance of duplicate payment.

In Summary

The program is designed to be simple and easy to use, providing the goods you need to perform your job. As we continue to improve the way we conduct business, leading to greater cost savings and processing efficiencies, your use of this program will be a significant component in the City of Lake Oswego's overall success. If you have any questions about the program or need additional information, please contact your Plan Administrator, Carol Bryck.

Frequently Asked Questions

1. How do I get my card?

Answer: Once you have completed and signed the Purchasing Card New Account and Change Record, obtained your manager's signature and turned your application in to your company's Purchasing Card Program Administrator, your card will be sent directly to the address indicated on your application. Allow 3–4 weeks for delivery.

2. How do I use my card?

Answer: Once you receive your card in the mail, simply call the 1-800 number located on the affixed sticker. Once activated, your card should be used in place of your previous purchasing method, for all appropriate items as indicated in your Policy and Procedures Manual.

3. What should I do if my card is lost or stolen?

Answer: Immediately call the U.S. Bank 24-hour customer service toll free number at 1-800-344-5696. Your Program Administrator should also be notified. Any verbal requests must be followed up by a written confirmation (by mail or fax) requesting card cancellation.

4. How do I reconcile my statement?

Answer: Match your receipts against your monthly statement to ensure that the two match. If there is a transaction, which needs to be disputed either call the merchant to reconcile or call U.S. Bank Customer Service at 1-800-344-5696. The U.S. Bank Customer Service Representative will walk you through the process.

Acceptance Form
(every employee must sign before issuance)

1. The U.S. Bank Visa Purchasing Card represents the City's trust in you. You are empowered as a responsible agent to safeguard City assets. Your signature below is verification that you have read the employee handbook and agree to comply with it as well as the following responsibilities. It also acknowledges that you have received the U.S. Bank Visa Purchasing Card.
2. I understand the card is for company-approved purchases only, and I agree not to charge personal purchases.
3. Improper use of this card can be considered misappropriation of company funds. This may result in disciplinary action, up to and including termination of employment.
4. If the card is lost or stolen, I will immediately notify U.S. Bank by telephone. I will confirm the telephone call by mail or facsimile with a copy of the notification to the Plan Administrator – Carol Bryck x7413.
5. I agree to surrender the card immediately upon termination of employment, whether for retirement, voluntary or involuntary reasons.
6. The card is issued in my name. I will not allow any other person to use the card. I am considered responsible for any and all charges against the card.
7. All charges will be billed directly to and paid directly by the company. The bank cannot accept any monies from me directly, therefore any personal charges billed to the company could be considered misappropriation of company funds.
8. As the card is company property, I understand that I am required to comply with internal control procedures designed to protect company assets. This may include being asked to produce the card to validate its existence and account number. I may also be asked to produce receipts and statements to audit its use.
9. I will receive a Monthly Reconciliation Statement, which will report all activity during the statement period. Since I am responsible for all charges (but not for payment) on the card, I will resolve any discrepancies by either contacting the supplier or the bank.
10. I understand the U.S. Bank Purchasing Card is not necessarily provided to all employees. Assignment is based on my need to purchase materials for the City. My card may be revoked based on change of assignment or location. I understand that the card is not an entitlement nor reflective of title or position.

Employee Signature

Employee Printed Name

Date: _____

Appendix:

- Examples of P-card Dos and Don'ts
- Sign-up Form
- List of Vendor MCC codes & categories

P-card Dos and Don'ts

Samples of Acceptable Items to Charge to P-card

- Routine and regular items, small in nature
- Business travel expenses (where no personal items are included)
- Annual maintenance contracts for City facilities
- Conference/training registration fees
- Annual dues and professional memberships

Samples of Unacceptable Items to Charge to P-card

- Business travel expenses (where personal items are included)
- Clothing covered under the City's clothing allowance (these items must be reimbursed through payroll).
- All personal items

Per Diem & Travel Issues

- If the per diem method is being used, meals should not be charged on the City P-card
- Per the IRS rules, no meals are to be provided for local conferences, etc. Travel must be 50 miles away and include an overnight stay.
- Travel advance requests that are only per diem meals and/or mileage amounts: to avoid taxability, use your own funds, and submit a Travel Expense form after the fact for reimbursement.

Below is a reminder to all City employees that have a P-card issued in their name about (1) the appropriate use of Lake Oswego's P-cards and (2) management's expectations on their use. We implemented our P-card system so staff can more efficiently purchase items, which would otherwise cost the City a lot of time to process. But efficiencies come at a risk and with an increased expectation of responsibility. The following internal controls have been in place for some time to protect our employees, the City, and our citizens from any P-card abuse:

Existing Internal Controls:

- All receipts supporting purchases are required to be attached, referenced, and archived with each P-card's monthly statement;
- Each P-card holder's monthly statement must be signed-off as approved by their supervisor, or another supervisor carrying sufficient signing authority for each amount purchased;
- Each P-card holder codes each purchase as an appropriate City expense with a GL account number through the City's intranet procurement card system and electronically submits it monthly to Finance;
- Finance reconciles these monthly submissions to its Master Statement and obtains an overall approval by the Finance Director;
- Finance selects unusual items, items of interest, and random employees each month for a compliance internal audit. This compliance internal audit looks for evidence that procedures #1 through #3 above have occurred properly each month (these internal audits

of compliance are scheduled to occur on 100 percent of P-card holders every year, and more frequently for heavier users).

- Finance cancels P-cards of any employee that does not follow these above-listed absolute expectations (with any issues being taken up with the department supervisor), as well as all employees who leave City employment

Appropriate P-card Use:

- Authorized City purchases only;
- Absolutely no personal purchases;
- Note #1: The City's auditors have informed us that even mistaken use of City's P-card for personal use is a "prima facia" violation of the State's ethics policy (even with an immediate and subsequent reimbursement by the employee). We have had a total of about 10 of these over the past year - all 10 immediately submitted a reimbursement check, which was copied and attached to the P-card statement as evidence of reimbursement.
- Note #2: There may be some traveling situations where personal expenses are involved (such as a spouse's portion when on conference). Your personal Visa must be used in these cases (as opposed to using City's P-card for everything and reimbursing for the personal portion).

Management Expectations:

- All receipts are saved, retained, and attached to monthly statements (within 3 months after each fiscal year end, Finance will request all of these files for filing and archiving);
- Each monthly statement is coded, submitted to Finance, and signed-off by the appropriate supervisor;
- No personal purchases whatsoever - in the event that an inadvertent mistake has occurred, the immediate submission of a check reimbursing the Finance department is required.

If you have any questions about any of the above, please refer your questions to your supervisor. As always, your Finance department is also available to answer any concerns or questions that you may have as well. We are working hard to ensure and maintain adequate protection of the P-card process for everyone involved, but need your commitment to ensure 100 percent compliance.

Monthly

Each month, you receive your statement from US Bank. The statement cut off date is the 15th (or the next business day), so if you haven't received a statement within three or four business days, please contact the Plan Administrator in Finance to get an e-mail copy. We have the payment automatically deducted from the general checking account ten days after the statement closing date. If there are any discrepancies or disputes, Finance needs to know as soon as possible. Ideally all cardholder entry should be completed by that time. Keeping an envelope or file folder at your desk for all receipts throughout the month will help when it is time to enter transactions.

City's Intranet Site

When you enter your statement on the City's intranet web page, it is important to use a clear and specific description. There are 56 spaces in the description field. It should include attendees for any business meals. Any travel related expenses should state the purpose (i.e. conference) and the location (i.e. Eugene). If you have any questions regarding the best way to enter an item, either email or call the Plan Administrator. Remember to attach your receipts to your monthly statement and print out the cover summary sheet from the Manage Statements - View link. This provides a copy of all entry for that statement period and a place for the cardholder signature and an approval signature. This should be stapled to the front of your statement making a clean package of that month's P-Card activity for your files.

PURCHASING CARD NEW ACCOUNT INFORMATION RECORD

COMPLETE INFORMATION IS REQUIRED EXCEPT WHERE NOTED AS OPTIONAL

TO ADD NEW ACCOUNT:

TYPE OF REQUEST

1. Indicate "New Account" under Type of Request.
2. Complete all fields on the form.

Check Appropriate Box:

- A. New Account
 Plastic No Plastic
- B. Address Change
- C. Dept./Div./Acct.Code Change
- D. Account Closure
- E. Name Change
- F. Credit Line Adjustment
- G. Single Transaction \$ Limit
- H. Other

TO CHANGE INFORMATION ON AN EXISTING ACCOUNT:

1. Indicate Type of Request.
2. Fill in card account number
3. Fill in current name on card:

First Name	Middle Initial
Last Name	

4. Complete only the fields to be changed in the following sections.

CARDHOLDER INFORMATION

First Name - 12 characters (Embossed on card)	Middle Initial - 1 character (Embossed on card)	AUTHORIZATION
Last Name - 20 characters (Embossed on card)		
Social Security Number - 9 characters (Required)		Employee Signature
Organization Name - 19 characters (User definable - embossed below cardholder name on plastic)		Date:
Address - 36 characters		Approving Manager Signature
Accounting Code Alpha Numeric - 35 characters (Optional: Appears in Statement Billing File/EDI transmission)		Date:
City - 25 characters		
State - 2 characters	Zipcode 5 - characters	Zip expansion 4 - characters
Monthly Credit Limit - 6 characters		Date:
Single Transaction \$ Limit - 6 characters (Optional)		
() - Home Phone - 10 characters	() - Business Phone - 10 characters	

UNIT:

U. S. Bank Company Number (Assigned by U. S. Bank)	Division - 5 characters (Numeric)	Department - 4 characters (Numeric)
Unit - 5 characters	Unit - 5 characters	Unit - 5 characters

MCC GROUP LISTING

MCC GROUP		Merchant Category			
Name	Description	Code	Description	Purch	
MCCG1	Airlines	3000-3299	AIRLINES	C	
		4511	AIRLINES		
		4582	AIRPORTS/FIELDS/TERMINALS		
MCCG2	Car Rental	3300-3500	CAR RENTAL	C	
		7512	AUTO RENTAL		
MCCG3	Hotels	3501-4000	HOTELS	C	
		7011	HOTELS		
MCCG4	Restaurants	5812	RESTAURANTS	C	
		5813	BARS/TAVERNS/LOUNGES/DISCOS		
		5814	FAST FOOD RESTAURANTS		
MCCG5	Travel Agencies/Services	4722	TRAVEL AGENCIES	C	
		4723	OTHER TRAVEL/PKG TOUR OPERATORS GERMANY ONLY		
		4789	TRAVEL SERVICE		
MCCG6	Other Travel I	4411	STEAMSHIP/CRUISE LINES	E	
		4457	BOAT RENTALS & LEASES		
MCCG7	Other Travel II	4011	RAILROADS		
		4111	LOCAL COMMUTER TRANSPORT		
		4112	PASSENGER RAIL		
		4121	TAXICABS/LIMOUSINES		
		4131	BUS LINES/CHARTER/TOUR		
		4784	TOLL AND BRIDGE FEES		
		5541	SERVICE STATIONS		
		5542	AUTOMATED GAS DISPENSERS		
		5811	CATERERS		
		7523	AUTO PARKING LOTS/GARAGES		
		7524	EXPRESS PARKING LOTS/GARAGES		
MCCG8	Auto Maintenance, Repair, etc.	5013	MOTOR VEHICLE SUPPLIES		
		5531	AUTO/HOME SUPPLY STORES		
		5532	AUTOMOTIVE TIRE STORES		
		5533	AUTOMOTIVE PARTS STORES		
		5935	WRECKING SALVAGE YARDS		
		7513	TRUCK/TRAILER RENTALS		
		7519	MOTOR HOME/RV RENTALS		
		7531	AUTO TOP/BODY REPAIR SHOPS		
		7534	TIRE RETREAD/REPAIR SHOPS		
		7535	AUTO PAINT SHOPS		
		7538	AUTO REPAIR - NON DEALER		
		7542	CAR WASHES		
		7549	TOWING SERVICES		
MCCG9	Fuel	8675	AUTO ASSOCIATIONS		
		5983	FUEL DEALERS - OIL, WOOD, COAL GAS/AUTOMOTIVE/U.K. PETROL STATIONS-ELECTRONIC HOT FILE		
MCCG10	Telecommunications	4812	PHONE SERV/EQUIP NON-UTIL		

MCC GROUP LISTING

MCC GROUP		Merchant Category			
Name	Description	Code	Description	Purch	
		4814	PHONE SERV/EQUIP UTILITY		
		4815	VISAPHONE		
		4816	ELECTRONIC COMMERCE / INFO		
		4821	TELEGRAPH SERVICES		
MCCG11	Medical/Ambulance	4119	AMBULANCE SERVICE		
		5047	MEDICAL EQUIPMENT & SUPPLIES		
		5051	MEDICAL SERVICE CENTERS		
		8011	DOCTORS		
		8021	DENTISTS/ORTHODONTIST		
		8031	OSTEOPATHS		
		8041	CHIROPRACTORS		
		8042	OPTOMETRISTS/OPHTHALMOLOGIST		
		8043	OPTICIANS		
		8044	OPTICAL GOODS & GLASSES		
		8049	CHIROPODISTS PODIATRISTS		
		8050	NURSING/PERSONAL CARE FAC		
		8062	HOSPITALS		
		8071	MEDICAL/DENTAL LABS		
		8099	MED/HEALTH SERVICES		
MCCG12	Misc. T&E Related	7338	QUICK COPY/REPRO SERVICES		
		7394	EQUIP/FURN RENT/LEASE SERV		
		7395	PHOTOFINISH LABS/DEV		
		7399	BUSINESS SERVICES		
MCCG13	Manual/ATM Cash/Courtesy Checks	4829	WIRE TRANSFER - MONEY ORDER	E	
		6010	FINANCIAL INST/MANUAL CASH		
		6011	FINANCIAL INST/AUTO CASH		
		6012	FINANCIAL INST/MERCHANDISE		
		6051	NON-FIN INST/FC/MO/TC/STAMP		
MCCG14	Misc. Services	5697	TAILOR/SEAMSTRESS/ALTERATIONS		
		5698	WIG AND TOUPEE STORES		
		7210	LAUNDRY/CLEANING/GARMENT SV		
		7211	LAUNDRIES-FAMILY/COMMERCIAL		
		7216	DRY CLEANERS		
		7230	BARBER/BEAUTY SHOPS		
		7251	SHOE REPAIR/SHINE/HAT CLEAN		
		7296	CLOTHING/RENT/COSTUME/UNIFO		
MCCG15	Entertainment	4468	MARINAS, SERVICE & SUPPLY		
		7829	MOTION PICTURE & VIDEO DISTRB		
		7832	MOTION PICTURE THEATRES		
		7841	VIDEO TAPE RENTAL STORES		
		7911	DANCE HALLS/STUDIOS/SCHOOLS		
		7922	THEATRICAL PRODUCERS		
		7929	BANDS/ORCHESTRAS/ENTERTAIN		
MCCG15	Entertainment (Cont'd)	7932	BILLIARD/POOL ESTABLISHMENT		
		7933	BOWLING ALLEYS		
		7941	COMMERICAL/PRO SPORTS		
		7991	TOURIST ATTRACTIONS AND XHB		
		7992	PUBLIC GOLF COURSES		

MCC GROUP LISTING

MCC GROUP		Merchant Category		Purch
Name	Description	Code	Description	
		7993	VIDEO AMUSEMENT GAME SUPPLY	
		7994	VIDEO GAME ARCADES/ESTABLIS	
		7996	AMUSEMENT PARKS/CIRCUS	
		7998	AQUARIUMS/REC SERV	
		7999	AMUSEMENT/REC SERV	
		8999	PROFESSIONAL SERVICES	
MCCG16	Florists & Greeting Cards	5193	FLORIST & NURSERY SUPPLIES	
		5947	GIFT, CARD, NOVELTY STORES	
		5992	FLORISTS	
MCCG17	Misc. Non T&E	4215	COURIER SERVICES	
		5192	BOOKS, PERIODICALS, NEWSPAPER	
		5942	BOOK STORES	
		5968	SUBSCRIPTION MERCHANT	
		5977	COSMETIC STORES	
		9402	POSTAGE STAMPS	
MCCG18	Charitable Orgs, Schools	8211	ELEMENTARY/SECONDARY SCHOOL	
		8220	COLLEGES/UNIV/JC/PROFESSION	
		8241	CORRESPONDENCE SCHOOLS	
		8244	BUSINESS/SECRETARIAL SCHOOL	
		8249	VOCATIONAL/TRADE SCHOOLS	
		8299	SCHOOLS - DEFAULT	
		8398	CHARITABLE/SOC SERVICE ORGS	
		8651	POLITICAL ORGANIZATIONS	
		8661	RELIGIOUS ORGANIZATIONS	
MCCG19	Memberships, etc.	7997	MEMBER CLUBS/SPORT/REC/GOLF	
		8641	CIVIC/SOCIAL/FRATERNAL ASSC	
		8699	MEMBER ORGANIZATIONS	
MCCG20	Contracted Services	0742	VETERINARY SERVICES	
		0763	AGRICULTURAL CO-OPERATIVE	
		0780	LANDSCAPE/HORTICULTURAL SER	
		1520	GEN CONTRACTORS RESIDENTIAL	
		1711	HEATING, PLUMBING, AIR COND	
		1731	ELECTRICAL CONTRACTORS	
		1740	MASONRY/TILE/PLASTER/INSUL	
		1750	CARPENTRY	
		1761	ROOFING/SIDING/SHEET METAL	
		1771	CONTRACTORS - CONCRETE	
		1799	SPEC CONTRACTORS	
		4225	PUBLIC WAREHOUSING	

MCC GROUP LISTING

MCC GROUP		Merchant Category			
Name	Description	Code	Description	Purch	
MCCG21	Auto Dealers, Parts and Services Stations	5511	AUTO DEALERS/NEW AND USED		
		5521	AUTO DEALERS USED ONLY		
MCCG22	Other Transportation Dealers	5551	BOAT DEALERS		
		5561	TRAILER CAMPER DEALERS		
		5571	MOTORCYCLE DEALERS		
MCCG22	Other Transportation Dealers (Cont'd)	5592	MOTOR HOME DEALERS		
		5598	SNOWMOBILE DEALERS		
		5599	MISC AUTO DEALERS		
		5940	BICYCLE SHOPS/SALES/SERVICE		
MCCG23	Other Transportation Providers	4214	MOTOR FREIGHT CARRIERS		
MCCG24	Telecomm Services and Utilities	4899	CABLE TV SERVICES		
		4900	UTILITIES/ELEC/GAS/H2O/SANITATION		
MCCG25	Misc. Financial Services	6211	SECURITY BROKERS/DEALERS		
		6300	INSURANCE SALES/UNDERWRITE		
		6381	INSURANCE PREMIUMS		
		6399	INSURANCE		
MCCG26	Misc. Service Providers	7012	TIMESHARES		
		7032	SPORT/RECREATIONAL CAMPS		
		7033	TRAILER PARKS/CAMP SITES		
		7217	CARPET/UPHOLSTERY CLEANING		
		7221	PHOTO STUDIOS - PORTRAITS		
		7261	FUNERAL SERVICE/CREMATORIES		
		7276	TAX PREPARATION SERVICE		
		7277	COUNSELING SERVICE - ALL		
		7278	BUYING/SHOPPING SERVICES		
		8351	CHILD DAY CARE SERVICES		
8734	TESTING LABS (NON-MEDICAL)				
MCCG27	Misc. Business Services	2741	MISC PUBLISH AND PRINT		
		2791	TYPESETTING, PLATE MAKING		
		2842	SPECIALTY CLEANING SANITATION		
		7311	ADVERTISING SERVICES		
		7321	CONSUMER CR REPORTING AGEN		
		7333	COMMERCIAL PHOTO/ART/GRAPH		
		7339	STENOGRAPHIC SERVICES		
		7342	DISINFECT/EXTERMINATE SERV		
		7349	CLEAN/MAINT/JANITORAL SERV		
		7361	EMPLOYMENT/TEMP HELP AGEN		
		7372	COMPUTER & D.P. SERVICES		
		7375	INFORMATION RETRIEVAL SVCS		
		7392	MGMT/CONSULT/PUBLIC REL SER		
7393	DETECTIVE/PROTECTIVE AGEN				

MCC GROUP LISTING

MCC GROUP		Merchant Category			
Name	Description	Code	Description	Purch	
MCCG28	Misc. Repair Services	7623	AIR COND/REFRIG REPAIR SHOP		
		7641	REUPHOLSTERY/REFINISH		
		7692	WELDING		
		7699	MISC REPAIR SERVICES		
MCCG29	Professional Services	8111	LEGAL SERVICES ATTORNEYS		
		8911	ARCHITECTURAL/ENG/SURVEY		
		8931	ACCOUNTANTS/AUDITORS/BOOKPR		
MCCG30	Government Services	9211	COURT COSTS/ALIMONY/SUPPORT		
		9222	FINES		
		9223	BAIL AND BOND PAYMENTS		
		9311	TAX PAYMENTS		
		9399	GOV'T SERVICES		
MCCG31	Home Furnishings and Improvements	5211	LUMBER/BUILD SUPPLY STORES		
		5231	GLASS/PAINT/WALLPAPER STORE		
		5251	HARDWARE STORES		
		5261	LAWN/GARDEN SUPPLY/NURSERY		
		5271	MOBILE HOME DEALERS		
		5712	FURNITURE/EQUIP STORES		
		5713	FLOOR COVERING STORES		
		5714	DRAPERY & UPHOLSTERY STORES		
		5718	FIREPLACES & ACCESSORIES		
5719	MISC HOME FURNISHING				
MCCG32	Household Appliances	5722	HOUSEHOLD APPLIANCE STORES	E	
MCCG33	Mail Order, Catalog Order, Telemktg	5960	DIRECT MARKET INSURANCE		
		5962	TELEMARKETING TRAVEL-RELATED		
		5963	DIRECT SELL/DOOR-TO-DOOR		
		5966	OUTBOUND TELEMARKETING		
		5967	INBOUND TELESERVICES		
MCCG34	Discount Stores	5300	WHOLESALE CLUBS		
		5331	VARIETY STORES		
		5399	MISC GEN MERCHANDISE		
		5912	DRUG STORES & PHARMACIES		
		5931	USED MERCHANDISE STORES		
		5945	HOBBY, TOY & GAME SHOPS		
		5949	FABRIC STORES		
MCCG35	Grocery and Convenience Stores	5422	FREEZER/MEAT LOCKERS		
		5441	CANDY/NUT/CONFECTION STORE		
		5451	DAIRY PRODUCT STORES		
		5462	BAKERIES		
		5921	PKG STORES/BEER/WINE/LIQUOR		
		9751	MERCHANDISE/U.K SUPERMARKETS-ELECTRONIC HOT FILE		
MCCG36	Misc. and Specialty Retail I	5948	LUGGAGE/LEATHER STORES		
		5950	GLASSWARE/CRYSTAL STORES		

MCC GROUP LISTING

MCC GROUP		Merchant Category			
Name	Description	Code	Description	Purch	
		5978	TYPEWRITER/SALES/SERVICE		
		5994	NEWS DEALERS/NEWSTANDS		
		5998	TENT AND AWNING SHOPS		
MCCG37	Misc. and Specialty Retail II	5309	DUTY-FREE STORES	E	
		5970	ARTIST/CRAFT STORES		
		5971	ART DEALERS & GALLERIES		
		5973	RELIGIOUS GOODS STORES		
		5975	HEARING AID/SALES/SERVICE		
		5976	ORTHOPEDIC GOODS		
		5993	CIGAR STORES/STANDS		
		5995	PET STORES/FOOD & SUPPLY		
		5996	SWIMMING POOLS/SALES/SERV		
		5997	ELEC RAZOR STORES/SALE/SERV		
MCCG38	Wholesale Trade	5021	COMMERCIAL FURNITURE		
		5039	CONSTRUCTION MATERIALS - OTHR		
		5046	COMMERCIAL EQUIPMENT - OTHER		
		5065	ELECTRICAL PARTS & EQUIPMENT		
		5072	HARDWARE EQUIPMENT & SUPPLIES		
		5074	PLUMBING & HEATING EQUIPMENT		
		5085	INDUSTRIAL SUPPLIES - OTHER		
		5099	DURABLE GOODS - OTHER		
		5122	DRUGS, DRUGGIST SUNDRIES		
		5131	PIECE GOODS NOTIONS DRY GDS		
		5137	COMMERCIAL CLOTHING		
		5139	COMMERCIAL FOOTWEAR		
		5169	CHEMICALS & ALLIED PDCTS OTHR		
		5172	PETROLEUM PRODUCTS		
		5198	PAINTS, VARNISHES & SUPPLIES		
		5199	NONDURABLE GOODS - OTHER		
MCCG39	High Risk I	5044	PHOTOGRAPH, PHOTOCOPY EQUIPT		
		5045	COMPUTERS, PERIPHERALS		
		5094	PRECIOUS STONES & METALS		
		5111	STATIONERY, OFFICE SUPPLIES		
		5200	HOME SUPPLY WAREHOUSE STORE		
		5310	DISCOUNT STORES		
		5411	GROCERY STORES		
		5499	MISC FOOD STORES		
		5732	RADIO TV & STEREO STORES		
		5734	COMPUTER SOFTWARE/RECORD STORES		
		5735	RECORD SHOPS		
		5941	SPORTING GOODS STORES		
		5943	STATIONERY STORES		
		5946	CAMERA & PHOTO SUPPLY STORE		
		5964	CATALOG MERCHANT		

MCC GROUP LISTING

MCC GROUP		Merchant Category			
Name	Description	Code	Description	Purch	
MCCG39	High Risk I (Continued)	5965	COMBINATION MAIL/RETAIL		
		5969	OTHER DIRECT MARKETERS		
		5999	MISC SPECIALITY RETAIL		
		7298	HEALTH & BEAUTY SPAS		
		7299	MISC PERSONAL SERV		
		7379	COMPUTER REPAIR & OTHR SVCS		
		7622	RADIO/TV/STEREO REPAIR SHOP		
		7629	SMALL APPLIANCE REPAIR		
		7631	WATCH/CLOCK/JEWELRY REPAIR		
MCCG40	High Risk II	5311	DEPARTMENT STORES	E	
		5611	MEN/BOYS CLOTHING/ACC STORE		
		5621	WOMENS READY TO WEAR STORES		
		5631	WOMENS ACCESS/SPECIALTY		
		5641	CHILDREN/INFANTS WEAR STORE		
		5651	FAMILY CLOTHING STORES		
		5655	SPORTS/RIDING APPAREL STORE		
		5661	SHOE STORES		
		5691	MENS/WOMENS CLOTHING STORES		
		5699	MISC APPAREL/ACCESS SHOPS		
		5733	MUSIC STORES/PIANOS		
		5972	STAMP & COIN STORES		
		MCCG41	High Risk III		
5932	ANTIQUE SHOPS				
5933	PAWN SHOPS				
5937	ANTIQUE REPRODUCTIONS				
5944	JEWELRY STORES				
7273	DATING & ESCORT SERVICES				
7297	MASSAGE PARLORS				
7995	BETTING/TRACK/CASINO/LOTTO				
MCCG42	Undefined	0000			
		0814			
		1509			
		7000			
		7511			

MCC GROUP LISTING

MCC GROUP		Merchant Category		Purch
Name	Description	Code	Description	
MCCCORP1	Standard T&E "C"	3000-3299	AIRLINES	
		4511	AIRLINES	
		4582	AIRPORTS/FIELDS/TERMINALS	
		3300-3500	CAR RENTAL	
		7512	AUTO RENTAL	
		3501-4000	HOTELS	
		7011	HOTELS	
		5812	RESTAURANTS	
		5813	BARS/TAVERNS/LOUNGES/DISCOS	
		5814	FAST FOOD RESTAURANTS	
		4722	TRAVEL AGENCIES	
		4723	OTHER TRAVEL/PKG TOUR OPERATORS GERMANY ONLY	
		4789	TRAVEL SERVICE	
		4011	RAILROADS	
		4111	LOCAL COMMUTER TRANSPORT	
		4112	PASSENGER RAIL	
		4121	TAXICABS/LIMOUSINES	
		4131	BUS LINES/CHARTER/TOUR	
		4784	TOLL AND BRIDGE FEES	
		5541	SERVICE STATIONS	
		5542	AUTOMATED GAS DISPENSERS	
		5811	CATERERS	
		7523	AUTO PARKING LOTS/GARAGES	
		7524	EXPRESS PAYMENT LOTS/GARAGES	
		4812	PHONE SERV/EQUIP NON-UTIL	
		4814	PHONE SERV/EQUIP UTILITY	
4815	VISAPHONE			
4816	ELECTRONIC COMMERCE / INFO			
4821	TELEGRAPH SERVICES			

Note: Standard T&E will consist of MCCGCORP1 and MCCG41

E = Exclude/Block/Decline

C = Corporate Override



City of
LAKE OSWEGO
Oregon

City of Newberg DEPARTMENT of FINANCE	Number:	
	Revised Date:	01/15/06
	Page:	1 of 6
	Approved:	
Subject: PURCHASING CARDS		

Purpose:

To set forth the policy and procedures for the City’s Purchasing Card program. The Purchasing Card program empowers the employee with the authority and responsibility to purchase items for the City of Newberg directly from merchants in order to meet the departmental needs.

The Purchasing Card System is a more efficient, cost-effective method of purchasing and paying for low-dollar transactions by replacing requisitions, purchase orders, invoices and/or pre-payment order forms. Proper use of the card and good purchasing practices becomes the responsibility of the cardholder.

References:

ORS 279

Policy:

The Purchasing Card may be used at any merchant that accepts VISA. Use at preferred suppliers provides the City the best overall price and value for the items purchased with the card. The Purchasing Card may be used for authorized City business/travel expenses.

The card is intended to complement existing purchasing processes. It is used for acquiring low-dollar purchases up to a cardholder’s limit, including tax, freight, handling, or any associated cost per transaction. **Cardholders must comply with all City purchasing policies and procedures.**

The purpose of using purchase cards is to reduce the issuance of short form purchase orders. Cardholders may charge up to \$500 per purchase. Use of the purchase card to circumvent normal purchase order procedures is strictly prohibited. If the transaction is greater than \$500, then a normal long form purchase order must be issued. You CANNOT split the purchase into two (2) transactions. If you do, your card will be taken away from you.

POLICY AND PROCEDURES FOR PURCHASING CARDS	Revised Date: 01/15/06
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The Purchasing Card system validates the transaction against pre-set limits established by the City of Newberg. All transactions are approved or denied based on the following card authorization criteria:

Credit Limits: The Purchasing Card has a monthly credit limit based on the employee's spending authority. If the employee reaches this limit, the transaction will be rejected by the merchant. Travel and Training expenses apply with the same credit limits based on the employee's spending authority.

Transaction Limits: The Purchasing Card has a single transaction limit based on the employee's spending authority. A transaction includes the purchase price, tax, and freight and/or handling. Any attempt to exceed this limit will result in the rejection of the transaction by the merchant. You WILL NOT split the purchase into two (2) transactions. If you do, your card will be taken away from you.

Restricted Vendors: The transaction will be rejected by the merchant if presented to an excluded vendor. Valid vendors are determined by the City of Newberg.

Restricted Uses

Several items or services are restricted from purchase by the program policy. The following is a representative list and is not intended to be all-inclusive. If you are unsure, please contact Finance before acquiring any product to determine if it is allowed under this program.

- Alcoholic Beverages**
- Ammunition/Firearms**
- Capital Equipment**
- Cash Advances, Cash Refunds**
- Capital Goods**
- Cellular Phones and Service**
- Consulting Services, Instructors & Guest Speakers**
- Contracted Services**
- Entertainment Providers, inc.**
- Video Stores**
- Fuel Dispenser, Automated**

- Government Services**
- Pagers**
- Personal Care Services**
- Personal Items**
- Prescription Drugs (exceptions for EMS personnel)**
- Professional and Membership & Organizations Services**
- Salary and Wages**
- Services Agreements**
- Annual Maintenance Contracts**

Use of card for personal purchases, cash advances or cash refunds is strictly prohibited!

POLICY AND PROCEDURES FOR PURCHASING CARDS	Revised Date: 01/15/06
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CONSEQUENCES FOR NON-COMPLIANCE TO PROGRAM GUIDELINES

- Permanent revocation of Purchasing Card privileges.
- Disciplinary measures that may include termination and legal action.

Cardholder: The Cardholder is responsible for:

- Security of the card
- Use of the card
- Compliance with the City’s Purchasing Policies/Procedures for Commodities
- Providing a receipt to the Finance Department for each purchase

Approval Process: The approving Department Head, supervisor or their designee is responsible for:

- Reviewing all charges and account numbers
- Ensuring purchases are appropriate
- Ensuring no prohibited items have been purchased
- Ensuring all proper documentation is sent to the Finance Department

Audits

To ensure the continued success of the Purchasing Card program and in order to meet the City’s audit requirements, periodic reviews of the cardholders transaction files will occur. The main purposes of the audit are to ensure that correct information is being captured and that the Purchasing Card Program Policies and Procedures are being followed. Additionally, periodic reports of all transaction activity may be requested by the Assistant Finance Director and that information will be reviewed and made available to management.

Credit Card Security

The Purchasing Card should be stored in a secure location. The cardholder is personally responsible for its use. The **ONLY** person entitled to use the City Purchasing Card is the person whose name is imprinted on the face of the card.

POLICY AND PROCEDURES FOR PURCHASING CARDS	Revised Date: 01/15/06
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Lost Or Stolen Cards

If the Purchasing Card is lost or stolen, *the cardholder must contact the bank immediately by phone* at 1-800-344-5696. Also, phone the Assistant Finance Director at (503) 537-1204.

The lost or stolen card will be closed and a new card will be issued. The new card will be sent to the Assistant Finance Director within one workweek. If the old card is located at a later date, cut it in half and return to the Assistant Finance Director. **Do not attempt to use the old card.**

Impact On Cardholders Personal Credit Rating

The US Bank Purchasing Card is a corporate liability card, not a personal liability card. Therefore, only the City's credit rating will be affected by use of this product. Before receiving a Purchasing Card, the employee will be responsible for signing a Purchasing Card User Agreement and, as such, will be responsible for any abuse or misuse of the card.

Procedures:

Guidelines For Card Users:

The cardholder is responsible for ensuring that all required steps are completed when placing an order.

The Cardholder can purchase the goods/services either in person, by phone, internet or FAX.

1. Determine if the transaction value of what you want to purchase is within your purchasing limit (**including** taxes, freight, shipping and handling). If the transaction is greater than the \$500 minimum for requiring a Purchase Order, process the transaction via a Purchase Order.
2. Prior to making the purchase you must retain delegated expenditure authority from your Department or Division Head or Supervisor.
3. Contact the merchant and place the order.

Provide the merchant with the Purchasing Card number, expiration date, your company name, your name, telephone # and street address.

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In the cases where the supplier requests your "Customer Code" or "Transaction Code" the City has chosen not to use these codes.

A copy of the credit card receipt or sales slip must be provided by the merchant for each transaction to confirm pricing, applicable taxes, etc.

4. Keep a copy of the charge slip, sales receipt or any other information related to the purchase(s). **Send the original charge slips to Finance (Janelle) on a monthly basis, stapled, at the top left-hand side, behind the cardholder transaction log in the order that they are written on the log. Please write an account number on each charge slip and on the log. Logs must be approved by a supervisor.**
5. The statement cut-off date is the 25th of the month. **Summaries must be turned into Janelle by the end of the month.** A copy of the summary form in Word or Excel format may be found in the "Shared" drive under the "Forms" sub-directory.
6. After the cardholder's monthly statement arrives, the cardholder is responsible for reviewing the statement for accuracy. If a discrepancy is found, please notify Finance. The statement that goes out to the cardholder is for information purposes only. Finance receives a master activity statement each month for all cardholders. **Please do not forward individual cardholder statements to Finance.**

Card Disputes

In case of an exception or disputed charge the Cardholder should first contact the supplier. Most exceptions or issues can be resolved at this level. When the vendor corrects the problem, the cardholder should see the correction on the next monthly statement.

If cardholder cannot reach an agreement with the supplier, the next step is to contact US Bank at the Customer Service Center at 1-800-344-5696 between the hours of 8:00 am to 5:00 PM. The staff is experienced in dealing with exceptions and should be able to be of assistance. Nearly all exceptions can be managed using these two steps. If the cardholder is unable to obtain an acceptable resolution, please notify the Assistant Finance Director.

POLICY AND PROCEDURES FOR PURCHASING CARDS	Revised Date: 01/15/06
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Returns And Credits

Returns: If the cardholder needs to return an item for any reason, request a “Return Goods Authorization Number” from the supplier and enter that number as part of the documentation for that transaction in case further follow-up is required. Include this information on the log sheet.

Credits: The supplier should issue a credit for any item that has been discussed and agreed upon for return. This credit will appear on a subsequent statement.

Sales And Use Taxes

Cardholders should make sure vendors include sales or use taxes on all receipts as we do not have a way to accrue taxes. Do not purchase materials or services from out-of-state on the card if the supplier will charge the sales and use taxes. If the cardholder has any questions on taxes, call the Assistant Finance Director.

Replacing Worn or Defective Card

There may be instances when it becomes necessary to replace the card or obtain additional cards. A memorandum must be submitted to the Assistant Finance Director along with the old card if it is worn or defective. Do NOT fold, spindle or mutilate the old Purchasing Card. US Bank will issue a replacement card within two (2) working days after receipt of the memorandum.

Cardholder Leaves Employment

When a Cardholder submits his/her resignation to the City, the Cardholder should immediately notify his/her Division/Dept. Administrator and the Assistant Finance Director so the card may be canceled. The card must be submitted to the Assistant Finance Director.

SUBJECT: Purchase Card Regulations

DATE ISSUED: April 5, 2006

NUMBER: 19

EFFECTIVE DATE: April 5, 2006

Signature: _____ Date: _____
Interim City Manager

PURPOSE

The purpose of this administrative regulation is to establish policies and guidelines for use of City of Springfield Purchase Cards. The Purchase Card program empowers the employee with the authority and responsibility to purchase items for the City of Springfield directly from merchants in order to meet departmental needs.

POLICY

The City of Springfield Purchase Card is intended to complement existing purchasing processes, and may be used for acquiring low-dollar purchases at any merchant that accepts Master Card. **Cardholders must comply with all City purchasing policies and procedures.** The following policies and guidelines apply to the use of this card.

The total dollar limit per Purchase Card varies by card holder. Requests for changing dollar limits per card are to be submitted to Finance Department for review and authorization.

The Purchase Card can be used for authorized CITY business/travel expenses.

The Purchase Card can be used for purchases on the Internet. However, purchases from online auction sites, such as EBAY, are prohibited.

Several items or services are restricted from purchase. The following list of prohibited purchases is a representative list and is not intended to be all-inclusive. The Accounts Payable Tech, the Purchase Desk, the Budget Officer or the Finance Director should be contacted if there is a question on purchasing an item with a Purchase Card.

Alcoholic Beverages

Ammunition/Firearms

Capital Equipment

Cash Advances/Cash Refunds

Cellular Phones & Services

Instructors & Guest Services

Contracted Services

Entertainment

Government Services

Pagers

Personal Items

Prescription Drugs

Consulting Services

Installment Purchases

Service Agreements

Maintenance Contracts

Use of Purchase Card for personal purchases, cash advances or cash refunds is strictly prohibited with the exception of official travel with family members.

The Purchase Card can be used to procure fuel for a City vehicle if the vehicle must be filled in order to return it to the City Motor Pool. Under no circumstances will the Purchase Card be used to purchase fuel for a private vehicle.

During a card holder's official travel in the company of family members, the Purchase Card can be used to pay for the travel, lodging or meals for the family member (i.e. rather than getting two separate hotel bills if the spouse shares the hotel room, or rather than getting separate checks in a restaurant). The City will be reimbursed by personal check made payable to The City of Springfield and attached to the Purchase Card voucher for that portion of the Purchase Card travel invoice that covers personal expenses. A city travel form should also be completed as usual.

EAGLS

EAGLS is the web-based financial reporting system that permits all card holders to review their Purchase Card transactions on a daily basis.

RESPONSIBILITIES

Each participating City Department will assign and designate in writing persons within that department authorized to be issued Purchase Cards. Each authorized person (Card Holder) will be issued one Purchase Card, and be responsible for its use and security. Only the person whose name is embossed on the Purchase Card will be authorized to use it.

Prior to receiving a Purchase Card, the cardholder must attend EAGLS training and sign the City Purchase Card Agreement.

All signatures on vendor invoices must be legible.

Using the EAGLS System, card holders will review their Purchase Card transactions on at least a weekly basis, and reconcile these transactions against their vendor invoices to assure the paperwork is correct, complete, and the billing applies to the correct department.

After reconciliation, and within three (3) business days of purchase, card holders will deliver vendor invoices to the Accounts Payable Purchase Card representative (AP-PC rep), in their Department/Division. The AP-PC rep will verify the purchase card transactions and check the "Review" box in Eagles. The AP-PC rep will initiate a voucher in PeopleSoft, request approval and then forward voucher packet with complete documentation (the original vendor invoices and Purchase Card bill) to Accounts Payable not later than the 10th of the month. The cardholder, the AP-PC rep, and the voucher

approver generally need to be 3 different people. In workgroups where this segregation of duties is impossible due to the number of available authorized employees, the cardholder and approver shall be 2 different people. When entering PeopleSoft vouchers, Note:

the vendor identification code is: 1041

the invoice date is: the transaction statement date in EAGLS, (i.e. 02/27/05)

the invoice number is: the month/year of the statement date followed by the cardholder's last name and then first initial. (i.e. 02/05 Wilson, L)

AP-PC reps will maintain a file for copies of their monthly Purchase Card bills and vendor invoices.

When entering the purchase card invoice to PeopleSoft, the description field in PeopleSoft must list the specific type of goods or services actually purchased for each individual charge. Merely writing "Bank of America purchases" is not detailed enough to determine what was purchased, nor is it allowed.

If there is a discrepancy in the purchase card invoice that cannot be resolved in the department within 24 hours, Finance shall be notified. If there are any charges that are displayed on EAGLS that you didn't make, notify the Finance Department and the AP PC rep immediately so that the charge can be disputed with Bank of America and resolved.

One separate voucher is to be prepared monthly for each individual card holder.

The card holder will be responsible for notifying his or her Supervisor and AP-PC rep if a Purchase Card is lost or damaged. The Supervisor or AP-PC rep will in turn notify the Finance Director, Budget Officer or Purchase Desk who will take the appropriate action. But, if you lose your purchase card during non-work hours, please block the account immediately by notifying **the Bank of America at 888-449-2273** to prevent unauthorized use.

For purchase card invoices not processed on a timely basis, the Finance Department will automatically charge the total outstanding purchases to a generic holding account in the card holder department's budget to avoid late charges to the City. The AP-PC rep will be responsible for providing the Finance Department a journal entry for the correct account allocation within 30 days and payment of any late fees that may occur. For those purchase card invoices without proper allocations after this period, the department head will be notified, and the purchase card may be suspended.

NON-COMPLIANCE WITH PROGRAM GUIDELINES

Non-compliance with program guidelines may result in revocation of Purchasing Card privileges, and discipline as appropriate in accordance with City policies and procedures. Non-compliance includes failure to process Purchase Card invoices on a timely basis.

AUDITS

Periodic reviews of each department's Purchase Card transaction file, PeopleSoft financial records, and unposted invoices will be conducted by the Finance Department. The audit will ensure that correct information is being retained and that the Purchase Card Policy is being followed. Accounts of the audit will be forwarded to the appropriate department head.

OTHER

Payments made with the City Purchase Card should be for goods only (not services) unless the card holder specifically asks and determines that the vendor is a corporation. No purchases for medical or legal services shall use the City Purchase Card as the payment method because of Federal reporting requirements.

For card purchases made on the Internet, or by telephone, a copy of the order page will be printed out by the cardholder and retained by the AP-PC rep as proof of purchase. This order page will be processed as a vendor's invoice at month's end.

For items returned for credit, the credit invoice provided by the merchant will be held by the AP-PC rep until the matching credit appears on EAGLS. At that time the credit invoice will be processed as a credit voucher through PeopleSoft by the AP-PC rep and the paper work forwarded to Accounts Payable for final posting. No credits will be processed without a merchant's credit invoice, or prior to the matching credit appearing in EAGLS. Copies of the credit invoice will be maintained by the AP-PC rep.

If a problem is encountered with a Purchase Card, the first step is to contact Accounts Payable (#3708). If the Accounts Payable Tech is not available, the Purchase Desk (#3371), the Budget Officer (#3698), followed by the Finance Director (#3740), can be contacted for assistance.