CITY OF COUNCIL BLUFFS, IA PURCHASING POLICY

STOP – NOW A SEPARATE DOCUMENT

PURCHASING CARD (P-Card) POLICY

INTRODUCTION

The City of Council Bluffs P-Card program is designed to improve efficiency in processing low dollar purchases from vendors. ~~Each~~ Standard P-Cards ~~haves~~ a monthly limit of $5,000. Higher limits may be requested by department heads for certain individuals. Single transactions are allowed up to the user's authorized limit. Splitting a transaction to stay within the dollar limit is prohibited. Any cardholder that is found to engage in split purchases to circumvent single purchase limits will be subject to having their card privileges revoked.

This program will allow the cardholder, with proper I.D., to purchase approved commodities directly from suppliers and vendors without the issuance of a purchase order or invoice. The Finance department will monitor the performance of the program.

PURPOSE

The purpose of these policies and procedures is to accomplish the following:

- To provide an efficient method of purchasing and making point of sale payment for goods
- To provide an efficient method of arranging travel and lodging accommodations
- To ensure P-Card purchases are in accordance with City ordinances, policies and procedures
- To reduce the time spent by the Finance department to process low dollar, non-repetitive transactions as well as travel and/or lodging reimbursement
- To ensure that the City bears no legal liability from inappropriate use of the cards

LIMITS AND RESTRICTIONS

The P-Card must be signed by the named cardholder. Departmental P-cards require that the individual using the card show their City ID.

Proper security of your P-Card should be maintained at all times.

The P-Card is for official City business only. The purchase of non-business personal goods or services is prohibited. The cardholder will be held personally liable for any personal charges.

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The card may also be used to arrange business-related travel, lodging, training expenses and fuel purchases. When gasoline is purchased for a City vehicle, the mileage and vehicle number must be indicated on the receipt. This information should be forwarded to Fleet Maintenance by the cardholder.

The purchase of tobacco products, alcohol, controlled substances or obtaining a cash advance is strictly prohibited.

Any rewards, cash, or cash-like value incentives earned because of City purchases are the property of the City and may not be used for personal gain. Examples of such incentives include, but are not limited to, gift cards, two-for-one purchases, and spend rewards. Cash advances are not allowed on p-cards.

LOST OR STOLEN CARDS

If a card is lost or stolen, immediately contact the Finance department at 712-890~~328~~-5303~~4605~~. ~~Verbal reports of a lost or stolen card must be accompanied by written memorandum or email to the Finance department within 24 hours.~~ The cardholder should~~an~~ also contact US Bank at 1-800-344-5696. The cardholder may need to know the card number and phone number associated with the card which is 712-~~328-4605~~890-5303 and e-mail, cbfinance@councilbluffs-ia.gov.

TAXES

The City is exempt from paying Iowa Sales Tax on purchases made in Iowa. This exempt status is indicated on each P-Card. The City may not be exempt from paying applicable sales tax in other states.

It is the cardholder's responsibility to inform suppliers/vendors of the City's tax-exempt status at the time of purchase. If materials are ordered by phone, inform the vendor at that time of the City's tax exempt status. Do not proceed with a purchase that incorrectly contains sales tax. ~~If sales tax has been charged on the receipt, the cardholder should contact the vendor for a credit back to the P-Card. Cash refunds are strictly prohibited.~~

RECORDKEEPING / RECONCILIATION OF RECEIPTS

Cardholders are responsible for providing itemized purchase documentation. Itemized sales receipts must be obtained at the time of purchase. It is the responsibility of the cardholder to retain transaction receipts for all transactions and to ensure that the description on the sales receipt is legible and that the receipt clearly describes the purchase.

It must be clear as to the "business purpose" for the expense. If it is not evident from the invoice or receipt as to the purpose of the expenditure, it must be documented. For example, if the purchase is for a class or event, include the agenda or press release for the event.

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All receipts must be attached to the credit card statement. The statement must be signed by the credit cardholder and their supervisor prior to being sent on to the Finance department.

US BANK'S ACCESS ONLINE INFO

The statements must include organization and object code information for each of the charges. The statements received by Finance will be used to reconcile the City's monthly statement and will become part of the documentation used for the payment process. Documentation maintained must be accurate, accessible and complete, as it not only records the transaction, but also supports the legitimate business purpose of the purchase.

In the event that a receipt of a transaction is lost and all attempts to obtain a copy of said transaction have failed, the cardholder must provide a written description of the purchase, along with a signed certification that the purchase was made in accordance with the City Policy to Finance. Failure to provide certification may result in having the employee pay the City for the undocumented expense.

It is the cardholder's responsibility for ensuring receipt of materials and services and to follow up with the vendors to resolve any delivery problems, discrepancies, returns or damaged goods. It is also the cardholder's responsibility to ensure all sales tax is waived when applicable.

The Finance department will perform compliance reviews on cardholder's monthly statement documentation. The intent of the review is to analyze cardholder's transactions for completeness, accuracy, and compliance with the guidelines and procedures for the P-Card program.

BILLING STATEMENTS

Billing statements should include the following:

a) all receipts must be attached to the cardholder monthly statement with the documentation of the business purpose
b) the statement ~~should~~ must be signed by the cardholder to acknowledge all transactions on the statement were specifically authorized by the cardholder
c) the statement ~~should~~ must be signed by the designated supervisor to fully document the approval of all transactions
~~d)~~ the completed statement packet ~~should~~ must be returned to the Finance department ~~no later than 2 weeks after the end of the statement cycle~~by the requested date.

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DISPUTES / ERRONEOUS CHARGES

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It is the responsibility of the cardholder to document and resolve disputes and erroneous charges directly with the vendor. In most cases, disputes can be resolved in this manner. If a dispute cannot be resolved, contact the Finance department for assistance.

CARD TERMINATION

Violation of these P-Card policies, misuse of the procurement card, or repeated failure to submit procurement card reconciliation and documentation by the monthly deadline to the Finance department may result in termination of an employee's procurement card.

When a cardholder terminates employment with the City of Council Bluffs, the supervisor has the responsibility to reclaim the P-Card and return it to the Finance department. The supervisor is also responsible for reconciling the final charges and submitting the proper receipts/documentation to Finance.