CITY OF COUNCIL BLUFFS PURCHASING CARD (P-CARD) POLICIES AND PROCEDURES

APPROVED BY CITY COUNCIL XX/XX/2019

INTRODUCTION

The City of Council Bluffs P-Card program is intended to improve efficiency in processing low dollar purchases from vendors and to simplify and expedite the process of paying numerous vendors for these purchases while ensuring compliance with purchasing policies and procedures.

The Finance department will monitor program compliance.

POLICIES

1. The City's Purchasing Policy and ordinances apply to all purchases made with P-cards.
2. Prior to issuance of a P-card, each cardholder shall receive a current copy of policies and procedures relating to card use. The card shall be issued only after certification by the cardholder that he/she has reviewed and understands the policies and procedures. This process shall also be followed each time a card is renewed.
3. Standard P-Cards have 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 spending limit, as assigned by the cardholder's department head.
4. Splitting a transaction 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.
5. P-cards may be used for approved business transactions and travel expense, in accordance with the City's travel policy.
6. The P-Card must be signed by the named cardholder. Use of another employee's procurement card is prohibited. If an employee needs a procurement card to conduct business, he/she should discuss obtaining his/her own procurement card with his/her supervisor. Departmental P-cards require that the individual using the card show their City ID. Each department with a departmental p-card must have a system in place to track the card's location at all times and who is in possession of the card.
7. The City of Council Bluffs is exempt from most sales and use taxes on purchases made in Iowa. It is the cardholder's responsibility to inform suppliers/vendors of the City's tax-

exempt status at the time of purchase. Do not proceed with a purchase that incorrectly contains sales tax.

8. Cardholders are responsible to ensure that funds have been properly budgeted and are available to pay for the items and/or services being purchased.
9. Cardholders are obligated to seek the best possible price for goods and services in accordance with the City's purchasing policy.
10. 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.
11. All delivery locations shall be official City facilities.
12. It is the responsibility of the cardholder to retain receipts for all transactions.
13. It is the responsibility of the cardholder to document and resolve disputes and erroneous charges directly with the vendor. If a dispute cannot be resolved, contact the Finance department for assistance.
14. Cardholders are responsible for immediately reporting lost or stolen cards.
15. Hardware, software, and services related to the City's computer systems shall not be purchased with a procurement card except by the Information Technology Division.
16. 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.
17. The purchase of tobacco products, alcohol, controlled substances or obtaining a cash advance is strictly prohibited.
18. Cardholders shall either properly destroy expired cards and cards that have been replaced or return them to the Finance Department.
19. If employment is terminated, the cardholder must surrender the P-card to their supervisor on or before their last day of employment. The cardholder's final paycheck may be withheld until the P-card is properly accounted for.
20. Violation of these P-Card policies, misuse of the P-Card card, or repeated failure to submit P-Card reconciliation and documentation by the monthly deadline to the Finance department may result in suspension and/or termination of an employee's P-Card.

PROCEDURES

1. Requests for a new card must be made from a Department Head or their designee(s) to the Finance Department. Requests for cards for Department Heads must be approved by the mayor. A request for the mayor must be approved by the Director of Finance. The request must include the employee's name and the desired monthly limit for the card. New cards will be ordered by the Finance Department. The Finance Department will obtain a written acknowledgement from the cardholder that they have read and will adhere to the P-card policies and procedures before releasing the card.

2. The cardholder must activate his/her card prior to use.
3. If a card is lost or stolen, immediately contact US Bank at 1-800-344-5696 and the Finance department at 712-890-5303. The cardholder may need to know the card number. The phone number associated with the card is 712-890-5303 and e-mail is cbfinance@councilbluffs-ia.gov.
4. It is the responsibility of the cardholder to retain receipts for all transactions and to ensure that the description on the sales receipt is legible and that the receipt clearly describes the business purpose for the expense. If the business purpose is not evident from the receipt, it must be documented. Purchases for prizes, awards, retirement gifts, and similar programs must be indicated. If meals are purchased for anyone other than the cardholder, the names of the persons and business purpose of the meal must be documented.
5. Cardholder or appointed administrative personnel must log into the appropriate USBank account and reconcile all transactions with valid organization and object codes on or before the requested deadline. Codes can be entered in USBank at any time during the billing cycle.
6. Once the billing cycle is closed, all cardholders will be notified by the Finance Department. Billing statements must include the following before being sent to Finance for payment processing:
    a. All receipts must be attached to the cardholder's monthly statement with the documentation of the business purpose
    b. Signature of the cardholder to acknowledge that all transactions on the statement were specifically authorized by the cardholder
    c. Signature of the designated supervisor to fully document the approval of all transactions
7. The supervisor shall appoint a person to act on behalf of the department/division in his/her absence.
8. 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 City policy to Finance. Failure to provide certification may result in having the cardholder pay the City for the undocumented expense.
9. The Finance Department will perform compliance reviews on cardholders' monthly statement documentation. The intent of the review is to analyze cardholders' transactions for completeness, accuracy, and compliance with the policies and procedures of the P-Card program.
10. For inadvertent personal use, the cardholder must notify Finance upon discovery and reimburse the City for the transaction amount.
11. 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 should notify the Finance Department of the termination date as soon as it is known. The supervisor is also responsible for reconciling the final charges and submitting the proper receipts/documentation to Finance.