



**CITY OF PALM BEACH GARDENS
10500 N MILITARY TRAIL, PALM BEACH GARDENS, FL 33410**

PURCHASING DEPARTMENT



PURCHASING CARD POLICIES AND PROCEDURES MANUAL

Revised June 2019

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PURCHASING CARD POLICIES AND PROCEDURES

SECTION I INTRODUCTION

WHAT IS A PURCHASING CARD?

A purchasing card (“p-card”) is an acceptable alternate method to purchase and pay for goods and services for the City. Cardholders are authorized to deal directly with vendors for purchases of goods and services using a credit card. These purchases are only for official business on behalf of the City. The p-card is a credit card and must be handled with the same care and security as your personal credit card.

The City of Palm Beach Gardens Purchasing Card Program is designed to improve efficiency in acquiring and processing approved purchases from any vendor that accepts a purchasing card. Many suppliers, currently being paid under a purchase order or blanket purchase order, will accept a purchasing card.

The City currently issues Visa and MasterCard purchasing cards through JPMorgan Chase.

Each purchasing card is issued to a specific City employee and the City of Palm Beach Gardens is shown on the card as the governmental buyer of the goods and services. The goal of the Program is to optimize and expand the use of purchasing cards for greater operational efficiencies and cost savings. All cardholders are required to identify and use the card for all transactions that fall at or below the small purchases threshold of five thousand dollars. This allows the City to fully realize the benefits and efficiencies of the Program. Cardholders may be permitted to make purchases greater than five thousand dollars, provided these purchases are made with strict adherence to the procedures in the Purchasing Policies and Procedures Manual, and prior approval is received from the Purchasing and Contracts Director.

A. PURPOSE

The purpose of the Purchasing Card Policies and Procedures Manual is to establish policies and procedures to control and manage the use of purchasing cards assigned to and utilized by City employees. These policies and procedures are intended to accomplish the following:

- To provide a convenient method for making purchases of goods and services that fall at or below the small purchasing threshold.
- To enhance productivity and significantly reduce paperwork.
- To ensure that appropriate internal controls are established so that purchasing cards are used only for authorized purposes.
- To ensure prompt payment to vendors.
- To ensure that the City bears no legal liability for the inappropriate use of purchasing cards by City employees.
- To provide for disciplinary action if the purchasing card is misused.

Some advantages of the Purchasing Card Program are the various ways that limits and restrictions can be imposed on the cardholder. These features allow the City to tailor the Program to fit its needs and to extend purchasing responsibility to more individuals, while maintaining control and increasing accountability.

The policies and procedures provided herein are minimum standards for each department. Departments may establish more stringent controls, if necessary, but must inform the Purchasing and Contracts Director of these additional controls.

B. BENEFITS

There are many benefits to using the purchasing card for authorized purchases. Some of these benefits include:

1. City of Palm Beach Garden's Benefits:

- Simplifies the purchasing process for the large number of low dollar purchases, freeing up time for large dollar purchases.
- Identifies other vendor payments that could be made using the purchasing card, thereby increasing the potential for additional cash rebates.
- Lowers the overall transaction processing cost per purchase.
- Accountability.
- Provides management information on spend and other analytics.

2. Cardholder Benefits:

- Convenience of purchasing without a purchase order for purchases at or below the small purchasing threshold.
- Expedites the delivery and receipt of goods or services.
- Expands the list of vendors from whom purchases can be made.

3. Vendor Benefits:

- Expedites payment to the vendor.
- Reduces paperwork.
- Lowers risk of nonpayment.

C. HOW IT WORKS

The Purchasing Card Program simplifies the procurement and payment process. Procurement responsibility is delegated to the department, enabling the cardholder to place an order directly with the vendor.

When a purchase authorization is requested by the vendor at the point-of-sale, MasterCard or Visa validates the transaction against preset limits established by the City. All transactions are approved or declined electronically based on the purchasing card authorization limits established. The authorization limits may be adjusted periodically as needed and may include, but is not limited to, the following:

- Single purchase limit.
- Monthly spending limit.
- Approved or restricted merchant category codes.
- Number of transactions allowed per day.
- Number of transactions allowed per month.
- Temporary spending limit.

The authorization process occurs through the electronic system that supports the purchasing card processing services under the City's agreement with JPMorgan Chase.

D. WHAT IF THE SUPPLIER DOES NOT ACCEPT CREDIT CARDS?

There are a few suppliers that do not accept credit cards. If this happens, there are several options:

- Thank the supplier for their time, and find one that will accept the p-card.
- Prepare a requisition, use petty cash, or a check request, as appropriate.

E. SUMMARY OF RESPONSIBILITIES

The following is a summary of the responsibilities of the departments and cardholders.

1. Cardholder Responsibilities

- Hold and secure purchasing card.
- Order materials and services as authorized by the department.
- Ensure that sufficient funds exist to cover items being purchased.

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- Collect and retain all sales receipts.
 - Match receipts with the monthly billing statement and submit a timely reconciliation.
 - Review monthly billing statements for validity of all transactions.
 - Identify disputed charges - contact the merchant or JPMorgan Chase directly at 1.800.316.6056 about the disputed transaction and provide the information necessary to begin the resolution process. Complete the cardholder Statement of Disputed Items form (Attachment 2), when appropriate.
 - Complete the monthly purchasing card reconciliation and certification process in a timely manner.
 - Review and approve the reconciliation form to substantiate that the goods or services were received by the City and forward, along with a receipt for each transaction to the Department Head or designee to approve for payment. The cardholder Statement of Disputed Items form must be included when a dispute has not been resolved.

2. Department Head Responsibilities

- Request purchasing card for designated employees.
- Determine department spending limits within established guidelines and communicate all set parameters, as well as any subsequent changes thereto, to all affected parties including the Purchasing Department.
- Coordinate with Human Resources and the Purchasing to collect cards from cardholders at the end of employment.
- Evaluate the need to cancel or reissue cards when employees transfer.
- Notify the Purchasing Department of any change affecting the cardholder.
- Review monthly billing statements for each cardholder in the department.
- Verify the appropriateness of general ledger codes.
- Forward approved monthly billing statements with supporting receipts and the purchasing card Reconciliation and Certification form for each cardholder to the Finance Department, and communicate any irregularities. The cardholder Statement of Disputed Items form must be included when a dispute has not been resolved.

3. Purchasing Department (Purchasing Card Program Administration)

- Approve or deny all purchasing card requests.

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- Evaluate purchasing card feedback from vendors and cardholders.
 - Coordinate and maintain internal controls.
 - Coordinate issuance and cancellations of cards.
 - Participate in ongoing program reviews with internal and external stakeholders.
 - Maintain policies, procedures, and cardholder guides and manuals.
 - Report to the Finance Administrator and City Manager as to the status of the Purchasing Card Program, and any irregularities or issues.
 - Perform regular quarterly audits of p-card purchases and conduct the Annual Purchasing Card Inventory.
 - Keep abreast of developments and new technologies in the commercial credit card industry.
 - Inactivate and destroy cards, when necessary.

4. Finance Department

- Receive approved monthly billing statement reconciliations from all cardholders.
- Receive consolidated monthly billing statement from JPMorgan Chase.
- Confirm that all statements, reconciliations, and all documentation are complete and was authorized by the Department Head or designee.
- Notify cardholder, Department Head or designee, and Purchasing Director when approved monthly billing statement reconciliations are not received timely or are not in compliance with this Manual.
- Pay all charges from consolidated billing statement.
- Post account data into the financial reporting system (or reconcile electronic postings, as applicable).
- File and store statements, receipts, and other related information.
- As needed, generate reports summarizing all purchases for management and audit use.
- Reconcile and review the rebate, and post the amount received to the appropriate General Ledger account.

SECTION II PROCEDURES

A. ASSIGNMENT AND CONTROL OF THE PURCHASING CARD

1. Purchasing Card Requests and Issuance

- Purchasing cards are issued to individual employees, who frequently purchase goods and services, unless otherwise authorized and approved by the Purchasing and Contracts Director.
- The purchasing card has the employee's name, the City's name, the sales tax exemption number, and the expiration date embossed on the face of the card. The purchasing card provider will not have a cardholder's personal information other than the cardholder's work address and work phone contact number. No credit records, social security numbers, or other personal information of the cardholder are maintained by the purchasing card provider.
- Requests for new cardholders require the submission of a Purchasing Card Request form (Attachment 1). The completed form shall be forwarded to the Purchasing Department for review and approval.
- All requests for changes to current cardholders shall be submitted in writing to the Purchasing Department for approval.
- All requests for purchasing cards must be approved by the Department Head or designee, and the Purchasing and Contracts Director.
- Prior to the new cardholder taking receipt of the card, the employee must review the Purchasing Card Policy and complete and pass the City's on-line Purchasing Card Policy Test, in addition to other training material provided by the Purchasing Department.

2. Lost or Stolen Purchasing Cards

- If a purchasing card is lost or stolen, the cardholder must immediately notify JPMorgan Chase at 1.800.316.6056 and the Purchasing Department of the lost, stolen, or misplaced card at the first opportunity during normal business hours.
- Failure to promptly notify JPMorgan Chase of a lost or stolen purchasing card could make the City responsible for any fraudulent use of the card and result in loss of privileges for the cardholder.
- The cardholder is responsible for reporting all information necessary to reduce liability to the City for a lost or stolen card.

3. End of City Employment

- When an employee ends employment with the City, the Department Head or designee shall coordinate with Human Resources to collect and forward the card to the Purchasing Department for deactivation and destruction.
- If the Department Head is unable to collect the purchasing card when an employee terminates, the Department Head shall immediately notify the Purchasing Department. The Purchasing and Contracts Director will ensure that the card is cancelled immediately in the system. A cardholder who fraudulently uses the purchasing card after separation from employment will be subject to legal action.

4. Purchasing Card Inventory

- Annually, the Purchasing Department will provide to each City department an inventory listing from the purchasing card provider of purchasing cards issued to the City. Departments must conduct a physical inventory of purchasing cards issued to their department, and report any discrepancies to the Purchasing Department.

5. Audits

- The Purchasing Department will perform quarterly audits of all purchases made under the Program. The Department may also perform random audits of any cardholder or department to review card activity and receipt retention as well as review billing statements.

6. Feedback

- Cardholder feedback regarding the Purchasing Card Program is important and welcomed. The Purchasing Department needs to know if cardholders have any issues and or have any suggestions for improvement. Please contact the Purchasing Department with any issues regarding the Purchasing Card Program at kmra@pbgfl.com or 561.799.4197.

B. LIMITATIONS ON USE OF PURCHASING CARDS

1. Cardholder Use

- The purchasing card may be used only by the employee whose name is embossed on the card. No other person is authorized to use the card. All precautions shall be taken to maintain confidentiality of the cardholder's account number and expiration date of the purchasing card. The cardholder is responsible and accountable for all transactions that occur on the card.

2. City Purchases

- The purchasing card is to be used for City authorized purchases only. The purchasing card must not be used for any personal purchases and any such use requires immediate

reimbursement to the City, and may result in disciplinary action such as dismissal or criminal charges.

3. Dollar Limitations

- The Department Head or designee approving the assignment of a purchasing card will set two limits for each cardholder:
 - * A single purchase limit not to exceed the small purchases threshold; and
 - * A monthly limit (cycle limit).

Each time a cardholder makes a purchase with the p-card, these limits will be checked automatically by the system (“SmartData”), and the authorization request will be declined should the amount exceed the limitations. Request for spending limit changes or additional limitations should be authorized by the Department Head or designee, subject to review and approval by the Purchasing and Contracts Director.

A single purchase transaction may be made of multiple items, but the total amount cannot exceed the small purchases threshold. Charges for purchases shall not be split to stay within the small purchases threshold of \$5,000. This violates the City’s Purchasing Policies, is considered an abuse of the Purchasing Card Program, and may result in cancellation of the card or disciplinary action.

- Cardholders may be permitted to make purchases greater than \$5,000, provided these purchases are made with strict adherence to the procedures in the Purchasing Policies and Procedures Manual, and prior approval is received from the Purchasing Department.

4. Prohibited Uses of Purchasing Cards

- The following types of items may not be purchased with a purchasing card, regardless of the dollar amount:
 - * Cash advances;
 - * Any goods or services not authorized by the Department Head or designee; and
 - * Purchase of food and beverages for non-City business purposes. (Refer to Article 5 below.)

5. Food and Meal Purchases

- All departments responsible for purchasing food and beverages for City programs, events, and activities should attempt to obtain sponsorships through partnering with the local community to lessen the impact on the City’s budget.

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- The purchase of food or beverages for City programs, events, activities or City-hosted professional organization functions, are permitted provided they serve a clear public purpose. The expenditure must be pre-approved through the City's budgeting process and the City's Purchasing and Contracts Director.
 - Meal purchases for City staff shall only be made during emergencies when it is necessary for an employee to work through meal periods, and require prior written approval from the Purchasing and Contracts Director.
 - All other food and beverage purchases are not authorized by the City, including, but not limited to, departmental staff meetings, work group meetings, board and committee meetings, promotional exams, per diem meals while traveling, employee birthdays and appreciation celebrations, and other such activities.

6. Purchasing Card Security

- Your purchasing card should always be treated with at least the same level of care that you take with your own personal credit cards.
 - * Storage - Keep your purchasing card in an accessible, but secure location. Since you, as the cardholder, will be the only one using the purchasing card, it needs to be accessible only to you.
 - * Account Number - Protect the purchasing card account number carefully! Do not post it at your desk or write it in your day planner.
 - * Sharing (or use by someone other than the cardholder) - The only person authorized and entitled to use the purchasing card is the person whose name appears on the face of the card. Do not lend your purchasing card to another person for use.

C. COMPLETING TRANSACTIONS WITH VENDORS

1. Prerequisites for Purchases

- Ensure that the goods or services to be purchased have departmental approval, and budgeted funds are available.
- Determine if the intended purchase is within the cardholder's purchasing card spending limits.
- Inform the vendor (preferably via email) that the purchase will be made using the City's purchasing card, and obtain an acknowledgement.
- Inform the vendor that the purchase is tax-exempt and provide a copy of the City's tax exemption certificate. Review the receipt before leaving the store or accepting the goods or services, and if taxes were included, request a credit.

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- If using the purchasing card for travel, membership dues, conferences, training or other transactions that require prior approval, make sure all appropriate forms are completed and approved prior to making the purchase.

2. Documentation for Over-the-Counter Purchases

- When an over-the-counter purchase is made, the cardholder shall obtain the customer's copy of the charge slip or receipt, which will become part of the reconciliation documentation. If the receipt does not clearly designate the items purchased, attach a detailed listing.
- The charge slip or receipt shall be retained by the cardholder.
- All items purchased over the counter must be immediately available. Any item ordered, but not available, should not be charged to the p-card until delivery is made to the City, or written confirmation of shipping is received.

3. Telephone and E-mail Orders

- Purchases must be described in sufficient detail so that the parties to the transaction have a clear understanding of what is being acquired. It is strongly advised to follow up the conversation with an email confirming the details of the transaction.
- The cardholder must confirm that the vendor agrees to charge the purchasing card when shipment is made so that receipt of the supplies or service may be certified on the monthly billing statement.
- Instruct the vendor to send the sales receipt directly to the cardholder and not to send an invoice to the Finance Department.
- Tell the vendor that any shipping or delivery fees must be included in the unit price – FOB: Destination (Palm Beach Gardens).
- Purchases made in Florida and for use in Florida are exempt from sales and use taxes. The City's tax-exempt identification number is printed on the face of the purchasing card.
- Make sure the vendor understands that charges are not to be billed until the item has been shipped. Florida law prohibits payment to a vendor prior to receipt of goods or services except in specific circumstances.
- All items purchased by telephone or e-mail must be delivered to the City within the 30-day billing cycle. The order should not be placed without this assurance.

4. Returning Merchandise

- The cardholder is responsible for managing any returns or exchanges and ensuring that proper credit is received for returned merchandise.

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- Contact the vendor and obtain instructions for return.
 - Review your next monthly statement to ensure that your account is properly credited for the return.

5. Missing Documentation

- If for some reason the cardholder does not have documentation of transactions to send with the monthly statement, the cardholder shall request a copy of the receipt from the vendor. Any charges incurred are the responsibility of the cardholder. Continued incidents of missing documentation will result in the suspension or cancellation of the employee's purchasing card.

6. Monthly Statements

- The purchasing card provider will provide an individual billing statement to the cardholder, and one consolidated billing statement for all cardholders to the Finance Department. The individual billing statement will list all transactions processed during the billing cycle.
- Charge slips or receipts for all items listed on the billing statement must be attached to the billing statement in the order they appear, along with any dispute forms. The Purchasing Card Reconciliation and Certification Form must be approved by the cardholder and the Department Head or designee to substantiate that the goods or services were received by the City.
- Once the Department Head or designee has reviewed all billing statements for which they are responsible, the Department Head or designee shall forward the approved Purchasing Card Reconciliation and Certification Form, along with all supporting documentation to Accounts Payable within five working days after the billing statements are received. By approving the Purchasing Card Reconciliation and Certification Form, the Department Head or designee is certifying that all charges are appropriate and authorized and that all charges are supported by receipts.
- All purchasing card charges will be posted to the designated general ledger account number by the Finance Department.

D. DISPUTES

A dispute occurs when a cardholder questions a transaction that has been charged to the cardholder's p-card. If the purchase made was an unauthorized purchase, then the transaction must be disputed. If items purchased with the purchasing card are defective, the cardholder must return the items to the vendor for replacement or credit. If the service paid for with a purchasing card is deficient or was not provided, the vendor must be notified and asked to correct the situation or provide a credit. If the vendor refuses to replace or correct the defective item or service, the purchase must be disputed. If the quantity of items received is less than the charge, then the transaction must be disputed.

The following steps must be taken to ensure prompt settlement of disputes:

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- If a cardholder finds an unauthorized purchase has been made with their purchasing card information, they must contact JP Morgan at 1.800.316.6056 immediately to begin the dispute process.
 - If the item(s) purchased are defective or billed incorrectly, the cardholder must contact the vendor and attempt to resolve the issue immediately. If the cardholder and the vendor cannot come to a resolution, the cardholder must immediately contact JPMorgan Chase directly at 1.800.316.6056 to have the transaction placed in a disputed status.
 - If a purchase is placed in a disputed status with JP Morgan Chase, the cardholder must complete the cardholder Statement of Disputed Items (Attachment 2) and attach it to their Monthly Purchasing Card Reconciliation and Certification form (Attachment 3).
 - It is the responsibility of the cardholder to follow through with the vendor or JP Morgan Chase to ensure all disputed transactions are resolved in a timely manner.

E. REVIEW OF PURCHASES BY DEPARTMENTS OR DIVISIONS

Because of their knowledge of the job responsibilities and requirements, Department Heads or designees are required to review each purchasing card transaction (item purchased, amount, general ledger code, vendor, etc.) to ensure the goods or services were necessary, and for official use.

When purchases are questioned, the Department Head or designee is the first person responsible for resolving the issue with the cardholder. If the Department Head is not satisfied that the purchase was necessary and for official use, the cardholder must provide either a credit voucher proving the item(s) were returned for credit or reimburse the City for the full amount of the purchase.

Serious or repeated misuse of the purchasing card will result in the revocation of the card. Employees incorrectly using their purchasing cards will be disciplined, up to and including termination.

To help the departments in their reviews, management and audit reports are available upon request from the Purchasing Department.

PURCHASING CARD PROGRAM CONTACTS

Cardholder Customer Service (24 hours, 7 days):

JP Morgan Chase

For inquiries and to report a lost/stolen card

Toll free number: 1.800.316.6056

Purchasing Department

Km! Ra, Purchasing and Contracts Director

kmra@pbgfl.com

Ext. 4197

Finance Department

Allan Owens, Finance Administrator

aowens@pbgfl.com

Ext. 4163

Mary Anderson-Pickle, Deputy Finance Administrator

manderson@pbgfl.com

Ext. 4164

Jennifer Ray, Fiscal Coordinator

jray@pbgfl.com

Ext. 4161

QUICK REFERENCE

The following are answers to some frequently asked questions:

1. What is a Purchasing Card?

- A credit card that will allow the cardholder to purchase approved goods or services directly from vendors for official purposes.
- The City of Palm Beach Gardens is clearly shown on the card as the governmental buyer of the goods and services.

2. What are the advantages for using the Purchasing Card?

- Increased productivity and efficiency, improved internal controls, and a significant reduction in paperwork and the overall cost associated with approved purchases.
- Improved user satisfaction due to prompt delivery of goods and services to the job site.
- Improved vendor relations by expediting payment within 72 hours.

3. Who may have a Purchasing Card, and how do you obtain one?

- Any employee who frequently purchases goods and services in single amounts of \$5,000 or less.
- All requests for purchasing cards must be approved by the Purchasing and Contracts Director.
- The issuance of a purchasing card, with a purchasing threshold greater than \$5,000, requires the approval of the Department Head or designee, the Finance Administrator, and the Purchasing and Contracts Director.

4. What is the responsibility of the Cardholder?

- Prior to the new cardholder taking receipt of the card, the employee must review the Purchasing Card Policy and complete the City's on-line Purchasing Card Policy Test with a passing score.
- Ensure that usage of the card conforms to purchasing procedures and that the card is used for City business purposes only.
- Ensure that sufficient budget exists to cover the item to be purchased.
- Retain and verify charge receipts against monthly statement.

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- Complete monthly Purchasing Card Reconciliation and Certification form (Attachment 3).
 - Timely submit monthly statement and Reconciliation and Certification form with receipts attached to the Purchasing Card Statement signed by the Department Head or designee.

5. What is the responsibility of the Department Head or designee?

- Identify and authorize employees who should be issued a purchasing card.
- Set Department spending limits for each card.
- Ensure that the purchasing cards used by the Department's staff conform to the City's Purchasing Card Policies and Purchasing guidelines.
- Verify the appropriateness of the general ledger codes.
- Review and approve each Purchasing Card Reconciliation and Certification form and Purchasing Card Statement submitted by each cardholder to substantiate that the goods or services were received by the City.

6. What is the responsibility of the Purchasing Department?

- Authorize the issuance of cards.
- Coordinate the cancellation of cards.
- Coordinate and maintain internal controls.
- Participate in ongoing Program reviews.
- Perform audits and spending reviews.

7. How are purchases made?

- Cardholder calls or visits vendor and places an order; or cardholder places an order online.
- Cardholder provides the vendor with the purchasing card number, tax exempt I.D. number and delivery instructions.

8. Does the Purchasing Card have a spending limit?

- Individual transactions are limited to \$5,000 (unless a lower threshold is set by the Department Head or designee) for small goods and services. Splitting transactions to stay within the single purchase limit is strictly prohibited.

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- Permission for any Cardholder to make single purchases greater than \$5,000 must comply with the purchasing policies and procedures established by the City.

9. What happens if the statement is incorrect?

- If a cardholder finds an unauthorized purchase has been made with their purchasing card, the cardholder must contact JP Morgan at 1.800.316.6056, immediately to begin the dispute process.
- If the billed amount is incorrect or the item(s) purchased are defective, the cardholder should contact the vendor for a credit or replacement, preferably within the same billing cycle.
- If a purchase is placed in a disputed status with JP Morgan Chase, the cardholder must complete the cardholder Statement of Disputed Items (Attachment 2) and attached it to the Monthly Purchasing Card Reconciliation and Certification form (Attachment 3).
- It is the cardholder's responsibility to follow through and verify the disputed item has been resolved.

10. What types of purchases are allowable?

- The purchasing card is to be used for purchases of small dollar expenditures for City business purposes only. These items can be purchased and picked up directly at the vendor, or can be ordered by telephone, online, fax or e-mail, and delivered to the City.

11. What types of purchases are not allowable?

- Cash advances.
- Non-work related or personal use items and services.
- Purchase of food and beverages for non-City related business purposes.
(Refer to Section B.5 Food and Meal Purchases)

**CITY OF PALM BEACH GARDENS
PURCHASING CARD FORMS**

Please visit www.pbgfl.com/purchasing for the most recent versions of all Purchasing Card Program forms. These forms are also available on the Purchasing Department Intranet page.

DEFINITIONS

Billing Statement

Monthly record of charges and credits.

Billing Cycle

The monthly billing period that begins the 4th day of each month and ends the 3rd day of each month with a 14-day grace period before payment is due.

Cardholder

The City employee to whom a written Delegation of Authority has been given granting the use of the Purchasing Card to make purchases within preset limits on behalf of the City.

Cardholder Profile

Parameters that are set for a designated Cardholder that identify the Cardholder, and provide restrictions or spending limitations in the Purchasing Card system.

Cash Advance

Prohibited on the Purchasing Card as well as personal purchases.

Charge Slip/Documentation

Itemized list of individual purchases on receipt.

Credit

Charged amount removed from total owed by the City.

City Programs, Events and Activities

Activities and events that are planned and produced by City Staff for the benefit of the public or employees. A fee to participate in these activities may or may not be assessed.

Cycle Limit

A maximum dollar value of charges and/or number of transactions that may be applied to a Cardholder's purchasing authority for the billing cycle (usually one month).

Daily Limit

A maximum dollar value of charges and/or number of transactions that may be applied to a Cardholder's purchasing authority per day.

Delivery Address

Complete address including Cardholder's name and location (where applicable.)

Dispute

For items purchased and found defective or faulty, the Cardholder can return the item to the Merchant who will initiate a credit that will appear on the next month's statement of account.

MCC

Merchant Category Code assigned to a Merchant by MasterCard which identifies the primary goods or services provided by the Merchant.

Monthly Limit

A maximum dollar value of charges and/or number of transactions that may be applied to a Cardholder's purchasing authority during a month.

Official Use

Necessary merchandise purchased for the City's use.

Purchasing Card

A credit card that is used as an alternative payment method.

Purchasing Card Program Administrator

The individual who is responsible for the City's Purchasing Card Program. The current Purchasing Card Program Administrator is the Purchasing and Contracts Director.

Purchasing Card Provider

JP Morgan Chase Bank

Purchasing Card Request

A document issued by the Department Head that establishes the individual as an authorized Cardholder. The delegation of authority will specify spending and usage limitations unique to that Cardholder.

Reconciliation

Balancing charge slips with monthly billing statement.

Services

Non-personal temporary work.

Single Purchase Limit

Each Cardholder will be limited to a maximum \$5,000 on any single small non-stocked product or service.

Small Purchase

An acquisition of supplies, non-personal services, and construction in the amount of \$5,000 or less.

Tax Exemption

All purchases are exempt from state and local taxes, in accordance with state law.

Revised June 2019
