



Memorandum

To: City Council
From: Ben Cowan
Date: 3/30/2015
Re: VISA Purchasing Card Policies and Procedures Manual

The attached proposed VISA Purchasing Card Policies and Procedures Manual is a first step in converting our account with UMB Bank from a purely paper based system to a purchasing program. The benefits of making these changes include:

- 1) Better tracking of expenditures in the general ledger, rather than having the description "Card Services" appear on every line. This information will be automatically imported electronically in monthly batches.
- 2) Better reporting of card transactions to help identify purchase trends and guard against fraud.
- 3) Convenience of allowing employees describe the business purpose for each transaction and whether or not they have their receipts prior to routing for approval by their director.
- 4) The potential of increasing the purchasing volume on the cards versus checks, which saves the City 1.35% on every purchase.
- 5) Card management which allows Finance to monitor reasons for declines, to adjust spending limits on a permanent or temporary basis, and to issue and close accounts at any time.
- 6) Better tracking of Merchant Category Codes (MCC). Many agencies restrict many of the codes, but this can cause declines to happen for legitimate charges. For example, Mochas is classified as a bar, so strict blocking of codes can be difficult for employees to deal with. Likely, we will recommend blocking of international purchases and purchases for gambling, escort services, cash withdrawals, real estate, etc. Other marginal codes can be red flagged (such as bars or airlines) to allow a closer look to ensure appropriate purchases are being made.

Although reporting and analysis will be occurring electronically, the City will still retain all paper receipts for proper backup documentation. From the employee perspective, the card will continue to work as it had previously.

The Policies and Procedures Manual is split into two sections with the first titled "Policies" requiring approval by City Council. The second section for Procedures may be changed from time to time as is deemed appropriate.

Action Requested: A motion to approve the Policies section of the Policies and Procedures Manual last updated on March 30, 2015.



VISA Purchasing Card

Policies and Procedures Manual

PURCHASING CARD CONTACTS

Purchasing Card Administrator, Ben Cowan, 970-641-8162; ben@cityofgunnison-co.gov

First back-up: Dorene Elam, 970-641-8161; delam@cityofgunnison-co.gov

LOST OR STOLEN PURCHASING CARD

Call UMB Bank Security at 1-800-337-3392 and then inform the Purchasing Card Administrator in the Finance Department.

Policies and Procedures Manual

Contents

- POLICIES 3
 - Introduction: 3
 - Policies and Procedures Manual: 3
 - Audits: 3
 - Tax Exempt Status: 3
 - Limitation of Vendors: 3
 - Eligibility for a Purchasing Card: 3
 - Administrative Requests: 4
 - Lost or Stolen Purchasing Cards: 4
 - Account Termination: 4
 - Fraud and Failure to Follow Policies & Procedures: 4
 - Responsibilities: 4
- PROCEDURES 6
 - SECTION 1: ASSIGNED DESIGNEES 6
 - SECTION 2: GENERAL INFORMATION 6
 - SECTION 3: CARD ISSUANCE 8
 - SECTION 4: CARD MAINTENANCE 9
 - SECTION 5: INSTRUCTIONS FOR CARD USE 10
 - SECTION 6: RECORDKEEPING, RECONCILIATION, AND APPROVAL 12
 - SECTION 7: FRAUD AND FAILURE TO FOLLOW POLICIES & PROCEDURES 13
 - SECTION 8: CONTACT INFORMATION 13

Policies and Procedures Manual

POLICIES

=====

The Policies section of this manual (pages 2-4) is related to the City of Gunnison VISA Purchasing Card program and may not be changed without City Council approval.

Date of approval by City Council: Date of Approval

=====

Introduction:

The City of Gunnison selected the VISA Purchasing Card program (“Purchasing Card”) in order to establish a more efficient, cost-effective method of purchasing and paying for transactions within established usage limits. It is further intended to replace petty cash and the use of personal funds reimbursed by Accounts Payable Vouchers. Under **no** circumstances will the Purchasing Card be used for personal purchases.

Policies and Procedures Manual:

The VISA Purchasing Card Policies and Procedures Manual establishes standards for use of the City of Gunnison Purchasing Card. It is the cardholder’s responsibility to be knowledgeable of and follow all VISA Purchasing Card Policies and Procedures.

Audits:

All transactions are subject to review by the Finance Department and external auditors for compliance with sound business practices, VISA Purchasing Card Policies and Procedures, and any applicable laws and regulations.

Tax Exempt Status:

The City of Gunnison is exempt from paying Colorado sales and use tax. Information on the City’s tax exempt status appears on the front of the Purchasing Card. Cardholders are instructed to make every effort to ensure sales and/or use tax is not charged. If a vendor has questions regarding tax-exempt purchases, they may contact the Finance Department at 970-641-8070.

Limitation of Vendors:

All vendors that accept Purchasing Cards are registered with their bank under a specific Merchant Category Code (MCC). These codes specify the type of business the vendor engages in (i.e. airlines, medical services, retail stores, restaurants, etc.). The Finance Department has blocked all categories deemed inappropriate for City of Gunnison business. Purchasing Cards cannot be used to make purchases from vendors that fall under a blocked category on the MCC list.

Eligibility for a Purchasing Card:

Purchasing Cards will only be issued to Elected Officials and employees who are authorized by the City of Gunnison to purchase goods and services on behalf of the City. The name of the cardholder and the

Policies and Procedures Manual

City both appear on the face of the card. The Purchasing Card carries corporate liability for the City but carries no liability for a cardholder unless there is intentional misuse by the cardholder.

The Finance Department will make all applicable forms and the VISA Purchasing Card Policies and Procedures Manual available on the City of Gunnison Employee Intranet.

Administrative Requests:

All requests for or changes to credit limits, cardholder names, department/office change, termination of a Purchasing Card, use of Purchasing Card outside the United States or other VISA administrative requests can only be made by the Department Head, Elected Official or assigned designee. Cardholders may NOT make a request on behalf of themselves.

Lost or Stolen Purchasing Cards:

If a Purchasing Card is lost or stolen, immediately notify the Purchasing Card Administrator in the Finance Department by phone and follow-up with a written notice or email unless it occurs on the weekend. If it occurs over a weekend, call **UMB Bank Security at 1-800-337-3392 and then inform the Purchasing Card Administrator in the Finance Department so that his/her records are kept accurate.** The Purchasing Card Administrator will order a new card for the employee to replace the lost/stolen card.

Account Termination:

Upon resignation, termination or transfer of a cardholder to another department; the Purchasing Card Administrator will cancel the card when he/she has been notified by the applicable department.

Fraud and Failure to Follow Policies & Procedures:

Fraudulent use of a City of Gunnison Purchasing Card is a serious matter that may result in disciplinary action up to and including termination of employment, and may subject the cardholder to legal action.

Participation in the Purchasing Card program is a privilege that may be revoked for violations of the VISA Purchasing Card Policies and Procedures.

Responsibilities:

Elected Official and Department Head Responsibilities (or assigned designee who is not the Delegate) – Elected Officials and Department Heads are responsible for making the determination of who is a cardholder within their department/office; reviewing and signing the department monthly statement; and advising the Purchasing Card Administrator of any changes in their department cardholders (i.e. termination, change in departments, change in credit limits, etc.). These responsibilities may be assigned to a designated supervisor (“assigned designee”) within the department/office. However, the assigned designee **cannot** be the same individual as the Delegate (unless the size of the department/office does not allow for separation of duties).

Cardholder Responsibilities – Purchasing cardholders are issued a card associated with a specific department and make purchases on behalf of the City of Gunnison. Cardholders must **not** lend or share their purchasing card. They must keep their purchasing card secure and the card number confidential. The cardholder is responsible for obtaining itemized receipts with detail for the monthly cost allocation process and turning them in to their Delegate. Receipts for expenses incurred during traveling while on City business must be accompanied by an approved Travel Reconciliation Form. Receipts must also be

Policies and Procedures Manual

accompanied with a reason why the purchase is a reasonable business expense (if it isn't obvious). Upon termination of employment, the cardholder will return their Purchasing Card to the City and immediately discontinue all use of the account.

Delegate Responsibilities – Delegates are responsible for the electronic cost allocation of the charges on the Purchasing Cards via the internet; organizing and matching receipts from the cardholders to the monthly statement; meeting the monthly deadline for the cost allocation upload; and remitting hard copies of the statement and receipts to the Purchasing Card Administrator.

Purchasing Card Administrator Responsibilities – The Purchasing Card Administrator will be responsible for issuing and terminating Purchasing Cards; changing credit limits; and processing other administrative requests. These requests will be made by Elected Officials, Department Heads, or assigned designees. He/she will maintain records of cardholders and changes to those cardholder accounts; audit monthly cost allocations; upload cost allocations; and pay the Purchasing Card statement for the entire City on a monthly basis.

Policies and Procedures Manual

PROCEDURES

=====

These procedures are separate from the VISA Purchasing Card Policies and are subject to change as procedural efficiencies are identified. If a procedure changes, cardholders will be notified.

=====

Forms:

Appendix A: Purchasing Card Sign-Up/Change Form

Appendix B: Purchasing Cardholder Acknowledgement and Agreement Form

Appendix C: Lost Receipt Form

NOTE: The forms listed above can be accessed on the City of Gunnison Employee Intranet under Finance Public Files

SECTION 1: ASSIGNED DESIGNEES

An Elected Official or Department Head may assign Purchasing Card responsibilities for making the determination of who is a cardholder within their department/office; reviewing and signing the Department Monthly Statement; and advising the Purchasing Card Administrator of any changes in cardholders (i.e. termination, change in departments, change in credit limits, etc.). These responsibilities may be assigned to a designated supervisor (“assigned designee”) within the department/office but **cannot** be the same individual as the Delegate (unless the size of the department/office does not allow for separation of duties).

The process to delegate any of these responsibilities is for the Department Head or Elected Official to send the Purchasing Card Administrator a signed notification indicating the name of the assigned designee who is being assigned the duties.

SECTION 2: GENERAL INFORMATION

Introduction:

The City of Gunnison selected the VISA Purchasing Card program (“Purchasing Card”) in order to establish a more efficient, cost-effective method of purchasing and paying for transactions within established usage limits. It is further intended to replace petty cash and the use of personal funds reimbursed by Accounts Payable Vouchers. Under **no** circumstances will the Purchasing Card be used for personal purchases.

Policies and Procedures Manual

Policies and Procedures Manual:

The VISA Purchasing Card Policies and Procedures Manual establishes standards for use of the City of Gunnison Purchasing Card. It is the cardholder's responsibility to be knowledgeable of and follow all VISA Purchasing Card Policies and Procedures. The VISA Purchasing Card Policies and Procedures Manual can be found on the City of Gunnison Employee Intranet under Finance Public Files.

Audits:

All transactions should be reviewed by the Elected Official, Department Head or assigned designee prior to signing the Department Monthly Statement and sending receipts to the Purchasing Card Administrator. Their signature on the Department Monthly Statement indicates their review of the charges made and agreement with the appropriate cost allocations.

Finance Department staff will compare each transaction with the receipt. Violations will be recorded using a spreadsheet and reviewed periodically. A determination will be made as to whether any violations and/or trends need to be addressed with a specific office, department or cardholder.

Purchasing Card transactions are also reviewed by the City's external auditors each year for compliance with sound business practices, VISA Purchasing Card Policies and Procedures, and any applicable laws and regulations.

Tax Exempt Status:

City of Gunnison is exempt from paying Colorado sales and use tax. Cardholders can obtain a copy of the City's sales tax exemption certificate from the City of Gunnison website in the Finance Department section. They are advised to carry it along with them when purchases are made. All cardholders are instructed to make every effort to ensure sales and/or use tax is not charged.

If a charge of tax appears on the receipt (regardless of the amount), the cardholder is responsible for contacting the vendor and asking that the charge be credited to the card. If the sales tax exemption is denied, a note must be written on the receipt explaining why it was denied.

Limitation of Vendors:

Purchasing Cards cannot be used to make purchases from vendors that fall under a blocked category on the Merchant Category Code (MCC) listing. Examples of some blocked categories are:

- Cash Advances
- Betting/Track/Casino/Lotto
- Dating and Escort Services

If your card is declined and the decline should not have occurred, please contact the Purchasing Card Administrator to determine if the decline was because of the merchant blocking or if the monthly cycle limit has been exceeded. Also, contact the Purchasing Card Administrator if you believe your department should be exempt from a specific blocking due to certain departmental needs.

Red Flagged Vendors:

Some merchant categories will be red flagged for additional scrutiny to ensure appropriateness of purchases. These categories are not blocked because occasionally purchases are allowable for events, participant incentives or other official City business, or the vendor is misclassified. Examples of red flagged categories are:

Policies and Procedures Manual

- International Purchases
- Liquor Stores
- Bars/Taverns/Lounges/Discos
- Massage Parlors
- Court Costs/Alimony/Support
- Bail and Bond Payments
- Tax Payments
- Amusement Parks and Tourist Attractions
- Real Estate

SECTION 3: CARD ISSUANCE

Eligibility for a Purchasing Card:

Purchasing Cards will only be issued to Elected Officials and employees who are authorized by the City of Gunnison to purchase goods and services on behalf of the City. The name of the cardholder and the City both appear on the face of the card. The Purchasing Card carries corporate liability for the City but carries no liability for a cardholder unless there is intentional misuse by the cardholder.

Application Process:

All requests for Purchasing Cards must be made by the Department Head, Elected Official or assigned designee (“requestor”). The requestor needs to complete a *Purchasing Card Sign-up* form and a *Purchasing Cardholder Acknowledgement and Agreement* form found on the City of Gunnison Employee Intranet under Finance Public Files. The requestor is responsible to ensure that the cardholder receives a copy of the VISA Purchasing Card Policies and Procedures Manual (also available on the employee intranet).

The requestor must complete a *Purchasing Card Sign-Up* form establishing the limits authorized and forward the completed form along with the employee’s signed *Purchasing Cardholder Acknowledgement and Agreement* form to the Purchasing Card Administrator. The signature on the Agreement form indicates that the cardholder has received, read and understands the VISA Purchasing Card Policies and Procedures Manual, and agrees to abide by the terms explained in this document. The requestor should give a copy of the signed agreement to the cardholder.

The Purchasing Card Administrator will acquire the Purchasing Card, activate it and deliver it to the requestor for distribution to the employee/cardholder. Cardholders must sign the back of their Purchasing Card upon receipt.

Card Sharing and Security:

Cardholders must **not** share, lend or delegate their Purchasing Card with or to anyone. A cardholder must never give their card to another individual. They must keep their card secure (treat it like cash) and keep the card number confidential. However, it is acceptable for a cardholder to place other employee charges other than their own on their card. For example, a cardholder may be at a conference with one or more

Policies and Procedures Manual

co-workers. It is acceptable to use one card at dinner and then note on the receipt what employees were included.

NOTE: Each Department Head or Elected Official needs to determine how to secure the cards and card numbers in his/her areas. In some areas it is more appropriate for individuals to carry the cards. In other areas, the cards may be stored in a secure place in the department's business office and given to the cardholder(s) on an as needed basis. In either case, the account number must be protected.

SECTION 4: CARD MAINTENANCE

Administrative Requests:

Any request for change needs to be in writing, either hard copy or via email, to the Purchasing Card Administrator. Verbal requests will not be accepted or processed. A request for change can be made only by the Elected Official, Department Head or assigned designee.

A written notice or email to the Purchasing Card Administrator is to be completed when any of the following situations occur:

- Cardholder Name Change
- Cardholder Department Change
- Credit Limit Change (temporary or permanent)
- Account Termination because of Employment Change (resignation or termination)
- Unblocking specific Purchasing Cards for use outside the United States
- Lost or Stolen Purchasing Card
- Employee placed on short-term or long-term disability

Change in Cardholder Name, Department or Credit Limit:

If changes need to be made for a cardholder's name or a change in the established credit limit, send the Purchasing Card Administrator a written request or an email. All requests for any change in account status must occur by a Department Head, Elected Official, or assigned designee. With the exception of Elected Officials and the City Manager, cardholders may **NOT** make a request on behalf of themselves.

Account Termination

If an employee resigns, terminates, transfers to another department, or assumes different duties that do not require the use of the Purchasing Card; the Department Head, Elected Official, or assigned designee is responsible for retrieving the card and sending it to the Purchasing Card Administrator. If the card is retrieved and destroyed by the department, a written notice or email can be sent to the Purchasing Card Administrator instead of the card itself. The Purchasing Card Administrator will cancel the Purchasing Card based on physical receipt of the card or the email stating resignation, termination or transfer.

NOTE: It is imperative that the Purchasing Card Administrator receive this information within 24 hours of termination of employment so that the card can be canceled with UMB.

Lost or Stolen Purchasing Card:

If a Purchasing Card is lost or stolen, immediately notify the Purchasing Card Administrator in the Finance Department by phone and follow-up with a written notice or email unless it occurs on the weekend. If it occurs over a weekend, call **UMB Bank Security at 1-800-337-3392 and then inform**

Policies and Procedures Manual

the Purchasing Card Administrator in the Finance Department so that his/her records are kept accurate. The Purchasing Card Administrator will order a new card for the employee to replace the lost/stolen card.

A renewal card will be mailed to the Finance Department and they will forward the renewal card to the cardholder's Department Head, Elected Official or assigned designee.

Employee Placed on Short-term or Long-term Disability:

If an employee is placed on short-term or long-term disability, a written notice or email must be sent to the Purchasing Card Administrator. Then, the card will be inactivated. When the employee returns to work, a second written notice or email must be sent to the Purchasing Card Administrator with a request to reactivate the card.

SECTION 5: INSTRUCTIONS FOR CARD USE

General Instructions

The Purchasing Card may be used to make payments for goods and designated services that do not exceed the individual card limit and are not prohibited by the VISA Purchasing Card Policies and Procedures.

The Department Head, Elected Official or assigned designee will establish the card limit for the cardholder. Purchases must be for the use and benefit of the City of Gunnison. **Under no circumstances will the VISA card be used for personal purchases.**

Allowable Use:

The card may be used to purchase any goods or services that are allowable using other methods of payment authorized by the City. The card is simply another method of payment. Requirements for budget availability, authority to make purchases and purchasing policies remain unchanged when using the card.

Non-Allowable Use:

At **no** time are the following purchases allowed with your Purchasing Card. This is not an all inclusive list. If in doubt, call the Finance Director or Accounting Clerk.

- Cash advances or cash refunds of any type
- Personal use of any kind or for any non-City purpose
- Gasoline or any personal automobile-related purchases (gasoline is allowed for rental cars used for City business)
- Firearms (firearms and associated ammunition is allowable for Police activities)
- Controlled substances
- Alcohol or alcoholic beverages of any kind, including those on restaurant receipts

The Purchasing Card is **not** intended to avoid or bypass appropriate purchasing or payment procedures (payment process via Accounts Payable vouchers). Rather, the Purchasing Card compliments the existing processes available.

Policies and Procedures Manual

Purchasing with VISA Card:

Purchases may be made with the Purchasing Card by phone, fax, secured internet site, or in person. When ordering, request that the vendor provide an itemized invoice or receipt. Generally accepted accounting principles require proof of payment through retention of receipts. Cardholders are responsible for obtaining receipts for **charges** and **credits** to their Purchasing Card. Receipts must be given to the Delegate for cost allocation, reconciliation, and documentation purposes. If a receipt is lost and a replacement receipt cannot be issued, a *Lost Receipt* form (see Employee Intranet or Appendix C) must be filled out, signed, and given to the Delegate in place of a receipt.

For Internet/on-line purchases make sure that you use the following address otherwise your card will be declined: 201 W. Virginia Ave., Gunnison, CO 81230

Following are some tips for making internet purchases:

- a. Read the online vendor's refund/return and customer privacy policies. Learn the terms of business practiced by the online vendor. Beware of online vendors who do not prominently display refund/return or privacy policies.
- b. Use reliable vendors. Before clicking on the purchase button, make sure the vendor is a reliable vendor. If unsure, check up on the company by checking with the Better Business Bureau. Look for seals or other symbols that identify a particular vendor as being a member of an online reliability, privacy or secure site protection group.
- c. All purchases made online must be shipped to a City site address or shipped to a store to save on shipping costs.

As a reminder, the City of Gunnison is exempt from paying Colorado sales or use tax. Information on the City's tax exempt status appears on the front of the Purchasing Card. *Be sure to remind the vendor of our tax exempt status when making a purchase and carry your copy of the sales tax exemption certificate. If the sales tax exemption is denied, a note must be written on the receipt explaining why it was denied. An exception to this requirement is for payments to dining establishments.* If a vendor has questions regarding tax-exempt purchases, they may contact the Finance Department at 970-641-8070.

Receipt of Goods and Materials:

The cardholder is responsible for ensuring receipt of goods and will follow-up with the vendor to resolve any delivery problems or discrepancies.

Returns, damaged goods, credits:

Items purchased with the Purchasing Card will periodically need to be returned for one reason or another. Credits listed on the statement must be documented with a note as to when the original charge was made and why we are receiving a credit **if** the credit invoice/receipt is **not** available.

Disputed Items:

Disputed items may result from failure to receive goods, fraud, misuse, defective merchandise, incorrect amounts being charged, duplicate charges, unrecognized charges, tax charges, or credits not yet received. Most issues can be resolved by contacting the vendor directly. Contacting the vendor saves time and usually solves most issues. The Delegate is responsible for contacting and following up *with the vendor* on any erroneous charges and disputed items.

If you are not satisfied with the outcome from the vendor, it may be necessary to notify the Purchasing Card Administrator of the disputed charge, who will forward it to UMB Bank for resolution with the

Policies and Procedures Manual

vendor. The bank must be notified of any disputed items within 60 days of the statement date. It may take 3-4 weeks for the bank to research and resolve.

A disputed charge must be paid with the current monthly payment to UMB but it will be credited back to our account if it is resolved on our behalf.

SECTION 6: RECORDKEEPING, RECONCILIATION, AND APPROVAL

Record Keeping:

To facilitate the cost allocation, reconciliation, and approval process; the cardholder is responsible for obtaining all purchasing card slips, cash register receipts, packing slips, and/or on-line order forms/confirmations. The receipts must be forwarded to the Delegate.

Use of a City purchasing card for purchase of personal items is prohibited.

Any charge without receipt/support will not be paid by the City and is the responsibility of the employee. No cash advances or use of ATM's is allowed.

The supporting documentation must include the following:

1. Amount and date paid
2. Description of the item purchased
3. Reason why it's a reasonable business charge (if it isn't obvious)
4. For meals, include the people involved and business purpose of the charge.

Note: Charge slips must be accompanied with a receipt showing what was purchased.

For items purchased over the telephone or Internet, ask for a receipt to be mailed, emailed, faxed or included with the item purchased. If a City purchasing card needs to be used to reserve a room or make a purchase by someone not assigned a purchasing card, please contact Finance for assistance.

Lost Receipts:

Lost receipts represent lack of documentation to support charges or credits shown on the Purchasing Card statement. This can cause the public to mistrust use of public dollars and our external auditors to give the City of Gunnison an adverse audit opinion. It is the cardholder's responsibility to obtain purchasing card receipts and turn them in to their Delegates so they can be matched to the statement.

If a cardholder loses a receipt he or she must contact the vendor to have a replacement receipt mailed, emailed or faxed to him/her. If a replacement receipt cannot be obtained after several attempts, a *Lost Receipt* form must be filled out, signed, and given to the Delegate. Cardholders that develop a history of lost receipts may have their Purchasing Card revoked on a temporary or permanent basis.

Reconciliation and Approval Process:

The basic monthly reconciliation and approval process is as follows:

- Cardholder: Turns in VISA receipts to Delegate. Receipts related to travel while on City business must be accompanied by an approved Travel Reconciliation Form. Receipts must also

Policies and Procedures Manual

be accompanied with a reason why the purchase is a reasonable business expense (if it isn't obvious).

- **Delegate:** Does the electronic cost allocation via the internet (matching receipts to charges); prints the Department Monthly Statement; tapes receipts to blank sheets of paper; and forwards the Statement and receipts to the Department Head, Elected Official or assigned designee for approval. The Delegate also submits an electronic copy of the Statement to the Purchasing Card Administrator.
- **Department Head or Elected Official (or assigned designee who is not the Delegate):** Reviews the monthly report and receipts, signs the report and forwards all to the Purchasing Card Administrator.
- **Finance Department:** Reviews all hardcopies of Purchasing Card statements and receipts for proper approvals and documentation. Transactions are batch posted to the City's General Ledger for general accounting purposes.

SECTION 7: FRAUD AND FAILURE TO FOLLOW POLICIES & PROCEDURES

Fraud

There are two types of fraud:

- The first type is true fraud where a card issued by the City of Gunnison is lost, stolen, or duplicate charges are made with the cardholder's account number. In this case, the City is protected through UMB's fraud protection and neither the City nor the cardholder is liable.
- The second type of fraud comes about when a cardholder intentionally purchases an item (i.e. a television or stereo) intended for personal use. In this case, the City is covered by the fraud protection **only** if the cardholder is terminated from employment with the City. If the cardholder's employment is not terminated, the City becomes liable. The City will pursue all available remedies to recover such unauthorized use.

Fraudulent use of a City of Gunnison Purchasing Card is a serious matter that may result in disciplinary action up to and including termination of employment, and may subject the cardholder to legal action.

Failure to Follow Purchasing Card Policies and Procedures

Cardholders may have their Purchasing Card privileges temporarily or permanently revoked depending on the violation of policy or procedure that has occurred. Serious cases of misuse may result in disciplinary action up to and including termination of employment, and may subject the cardholder to legal action.

SECTION 8: CONTACT INFORMATION

The following are the individuals who are responsible for the VISA Purchasing Card administration. Only these employees are authorized to communicate Purchasing Card matters with the representative at UMB.

Purchasing Card Administrator, Ben Cowan, 970-641-8162; ben@cityofgunnison-co.gov

First back-up: Dorene Elam, 970-641-8161; delam@cityofgunnison-co.gov



PURCHASING CARD SIGN-UP/CHANGE FORM

Department: _____

Date: _____

Name of Cardholder: _____

Address: 201 W. Virginia Ave.
Gunnison, CO 81230

Monthly Cycle Limit: \$ _____

Authorized by: _____

Printed Name: Elected Official, Dept. Director or Assigned Designee

Signature: Elected Official, Dept Director or Assigned Designee

Date

APPENDIX A



PURCHASING CARDHOLDER ACKNOWLEDGEMENT AND AGREEMENT

Printed Name of Cardholder: _____

Department Name: _____

Cardholder acknowledges by his/her signature that he/she has received, read and understands the VISA Purchasing Card Policies and Procedures Manual, and agrees to abide by the terms explained in this document.

Participation in the City of Gunnison purchasing card program is a convenience and a privilege. Although the card is issued in the cardholder’s name, it is the City of Gunnison’s property and must be used with good judgment and in accordance with all City of Gunnison purchasing requirements.

1. The City of Gunnison Purchasing Card Program is provided to City of Gunnison employees based on the need to purchase business-related goods and services. The card may be revoked at any time for any reason. The card is neither an entitlement nor reflective of title or position.
2. The card is for business-related purchases only-**personal charges are expressly prohibited.**
3. The Cardholder is responsible for all charges made against the card.
4. Improper use of the card is considered misappropriation of City of Gunnison funds and will result in disciplinary action, termination and/or criminal prosecution.
5. Personal charges on the card will be considered misappropriation of City of Gunnison funds. The cardholder understands that the City of Gunnison may withhold amounts attributable to improper use by the cardholder from any payment, including payroll, which may be payable to the cardholder.
6. Cardholders must comply with internal control procedures, including retaining receipts, identifying accounts to be charged, logging all transactions, and reconciling charges. The cardholder will promptly contact the Card Administrator in Finance for assistance in resolving discrepancies.
7. A lost or stolen card must be reported immediately to the VISA/UMB Card administrator.
8. A cardholder must surrender the card upon termination of employment.
9. Cardholder agrees to comply with City of Gunnison policies and any addendum to this agreement.
10. The only person that can use the card is the cardholder.

I acknowledge receipt of the City of Gunnison VISA Purchasing Card:

Account#_____

I understand that the City of Gunnison provides me with an alternate means of payment for goods purchased on behalf of the City. I understand that all City of Gunnison purchasing card guidelines must be followed. I understand that the City of Gunnison purchasing card may not be used for personal items and purchases made outside the guidelines will be considered personal items. I authorize payroll deduction for any items that are not in compliance with City of Gunnison guidelines. I understand fraudulent use of a City of Gunnison Purchasing Card is a serious matter that may result in disciplinary action up to and including termination of employment, and may subject the cardholder to legal action.

Cardholder Signature: _____

Date: _____

Witness to Cardholder Signature: _____

Date: _____

(Dept Director, Elected Official or Assigned Designee)



Lost Receipt - Charge Detail and Payment Authorization

This form is to be used when a receipt or invoice has been misplaced, destroyed or is not available. It is to be used only when all attempts to get a copy of the original receipt from the vendor(s) is (are) exhausted. Complete all necessary information and submit approved form with VISA statement.

Today's Date:

Statement Date:

Cardholder Name:

Cardholder Department:

Charge Detail:

Amount	Post Date	Vendor Name	Merchant Description	Attempted to get receipt from vendor?	Reason Merchant could not provide reprint
\$ <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> yes or no	<input type="text"/>
\$ <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> yes or no	<input type="text"/>
\$ <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> yes or no	<input type="text"/>

By signing below, I am certifying that the receipt(s) cannot be found, and that the expenditure(s) was made on behalf of the City of Gunnison and not a personal expense.

Cardholder Signature
Date

Department Head/Elected Official or
Assigned Designee Approval
Date

Finance Approval
Date