

TOWN OF PRESCOTT VALLEY

POLICIES

Subject: **CREDIT/PURCHASING CARD PROGRAM** File Under Section: **FINANCE**

Effective Date: **February 26, 2015** Number: **4-08** Page: **1 of 3**
Resolution No. 1906

Supersedes: **Resolution No. 1413** Approved By: **Larry Tarkowski**
March 9, 2006 **Town Manager**
Date: _____

1.0 POLICY

- 1.1 The Town of Prescott Valley intends to provide its staff and elected officials with credit/purchasing cards in order to conveniently:
 - make business-related travel reservations and pay for travel expenses;
 - pay for business-related expenses;
 - make on-line purchases.
- 1.2 In the event the Town of Prescott Valley Mayor declares a disaster, such cards may be used for purchases other than those listed above.
- 1.3 Limitations on purchase amounts such cards may be used for are approved by each Department Director (with final review and approval by the Management Services Director and Town Manager). Limits may also be established as deemed appropriate for each department.
- 1.4 A credit card in the name of the Department Director may be issued for use by designated individuals within that department, in accordance with the conditions set forth herein. Separate purchasing cards may also be issued for individuals within departments, tailored for the specific job responsibilities and needs of that individual.
- 1.5 Credit and purchasing cards are to be used to conduct Town business only. Fraudulent or intentional misuse of such cards (including failure to follow this policy and related procedures) may result in loss of privileges to use the cards, discipline up to and including discharge, and/or possible criminal charges.
- 1.6 Credit cards issued in the name of a Department Director may be used by that Director and by persons in the department authorized in writing to do so for specific purchases (typically for travel expenses). Credit cards may not otherwise be used by persons whose names are not listed thereon. Purchasing cards issued to individual employees in a department are intended for the exclusive use of those employees and should not be loaned to other individuals.

- 1.7 Lost or stolen credit or purchasing cards must be reported immediately to the Finance Manager (who is hereby delegated as the Program Administrator) to ensure cancellation of the card.
- 1.8 All cardholders shall comply with guidelines and training manuals adopted from time to time by the Finance Division. The manual shall be made available to employees on the Town intranet. This Purchasing Card Program shall be audited in accordance with Town audit policies and procedures.
- 1.9 The following items shall not be purchased or paid for with credit or purchasing cards:
 - Alcoholic Beverages
 - Tobacco Products
 - Independent Contractors
 - Gifts for Vendors or Customers
 - Per Diem Meals
 - Cash Advances, Money Orders, Travelers Checks, Cashiers' Checks
 - Donations
 - Leases
 - Utilities
 - Capital
 - Inventory Items

2.0 PURPOSE

- 2.1 The Credit/Purchasing Card Program is intended to ensure flexibility in accomplishing daily assignments and work efforts, simplification of procurement and payment processes for all types of commodities, services and travel expenses, cost reduction, and continued accountability and best practices for audit, review and reconciliation in the spending of Town funds.

3.0 APPLICABILITY

- 3.1 This policy applies to purchases made using Town of Prescott Valley credit and purchasing cards.

4.0 RESPONSIBILITY

- 4.1 The Management Services Department shall be the responsible party for writing and communicating specific credit and purchasing card procedures to be followed in administering the Credit/Purchasing Card Program.
- 4.2 Department Directors will review credit and purchasing card expenditures monthly.

5.0 FORMS

- 5.1 The principles identified above are set forth in more detail in the following documents.

- 5.1.1 Credit and Purchasing Card Procedure
- 5.1.2 Credit/Purchasing Card Program Cardholder Manual
- 5.1.3 Credit and Purchasing Cardholder Acceptance Agreement
- 5.1.4 Statement of Missing Documentation
- 5.1.5 Abuse Notification Form