

POLICY: The purpose of the credit card is principally to facilitate the acquisition of goods and services for the City where the vendor requires such use. Credit card purchases are intended to be small in scope and of a “non-capital” nature. All purchasing of budgeted capital items must have the proper approval of the appropriate General Manager or City Manager.

I. Cardholder Limits

- A. City employees and officials may be Cardholders in accordance with this policy.
- B. A maximum dollar amount for each single purchase and a total for all purchases made with the credit card within a given monthly billing cycle has been provided to each Cardholder. The City’s standard limits are as follows:
 - 1. Single Purchase Limit - Not to exceed \$1,000
 - 2. Billing Cycle Limit - Not to exceed your assigned card limit
- C. If the situation arises that purchases are regularly required over the Cardholder’s established limit, a “Credit Card Maintenance” form must be completed and signed by the appropriate General Manager requesting the change and forwarded to the Administrative Services General Manager. At the Administrative Services General Manager, with concurrence from the City Manager, approval may be granted or denied. If approved, the limitation change will be a temporary one-time approval.

II. Use of Credit Card

- A. The credit card is to be used for City purchases only.
- B. No person other than the Cardholder is authorized to use the card unless prior written authorization is obtained from the Cardholder.
- C. Questions regarding credit card accounts and procedures should be directed to the Administrative Services General Manager.
- D. The credit card may be used at any business establishment, which accepts credit cards for payment.
- E. Cardholder should exhaust all other methods of procurement before using the credit card (ie, purchase orders or invoicing).
- F. The Cardholder must be able to justify that the use of the credit card was necessary and official city business purpose.
- G. Cardholder shall take all necessary precautions to keep the card and card number in secure location.

- H. Cardholder's department is responsible for all charges incurred on the credit card including any annual service fees and finance charges.

III. Telephone and Facsimile Orders

- A. When placing a telephone/facsimile order, confirm that the vendor agrees to charge the card when shipment is made and not sooner. The receipt charge date should coincide with the shipping date.
- B. All telephone/facsimile orders must be recorded on the "Record of Credit Card Use" form when the transaction occurs.
- C. Request that the vendor send, via facsimile or e-mail, a copy of the invoice marked "Paid by credit card". The original invoice is still necessary by the Finance Department for reconciliation purposes.
- D. If no receipt is available for the telephone/facsimile order, complete the "Telephone/Facsimile Order" form in full. This form will be used as the documentation when reconciling the Monthly Statement of Account.
- E. NO backorders are allowed.

IV. Documentation

- A. Documentation must be retained as a proof of purchase any time a purchase is made using the card. These documents are to be used to verify the purchases on the Monthly Statement of Account.
- B. All purchases are to be recorded on "Record of Credit Card Use" form. This form must be maintained as charges occur.
- C. If, for any reason, the Cardholder does not have documentation for a transaction, the Cardholder must attach a "Statement of Missing Documentation" form, which provides a description of the item, vendor's name, reason for missing documentation, and the action that will be taken to insure proper documentation in the future. In addition, the Cardholder and the City Manager's signature are required on the form.
- D. If receipts are related to travel, it is the Cardholder's responsibility to photocopy the receipts to attach to their "Travel Requisition" form. The original must be forwarded to the Finance Department for reconciliation with Monthly Statement of Account.
- E. Copies of all necessary forms are enclosed within this section of the Financial Operations Guide.

V. Card Restrictions

A. The following uses of a Credit Card are prohibited:

1. Cash advances.
2. Personal purchases. A Cardholder may not charge any personal items on the City credit card.
3. Gasoline purchases or vehicle repairs unless outside the service area and/or in an emergency. Documentation will be required.
4. Alcoholic beverage purchases.

B. Per Diem. Per Diem requests shall be processed through Accounts Payable prior to travel. Refer to City of Cottonwood - Financial Operations Guide - page 6 Travel and Training Policy.

C. Cardholders shall also comply with any applicable departmental restrictions on usage.

D. A Cardholder may not violate any established procurement requirements, where it pertains to obtaining quotes, when using the City credit card.

VI. Reconciliation and Payment

A. At the close of each billing cycle, the Finance Division will request a copy of your "Record of Credit Card Use" form and provide a due date for its submission.

B. Attach any additional documentation necessary, complete all forms fully and assure that all necessary signatures have been obtained.

C. This form will be reconciled with both the receipts and the "Monthly Statement of Account" by the Finance Division.

D. If unable to submit the required documentation by the due date, please contact the Finance Division as soon as possible.

E. Payment will be made promptly and before the due date to avoid any service or finance charges.

F. Any department not responding promptly to the request for information from the Finance Division or in any way delaying the timely monthly payment of the credit card account will be assessed the finance charges imposed by the issuing financial institution.

VII. Disputes

A disputed item could result from numerous circumstances including defective purchases and unauthorized use. The proceeding steps should be taken when an item is being disputed:

- A. Whenever possible, return item(s) to vendor for replacement or credit.
- B. If vendor refuses to replace the item(s) or credit the account, the “Statement of Disputed Item” form will need to be completed.
- C. If unauthorized charges occur, complete the “Statement of Disputed Items” form.
- D. Fax completed “Statement of Disputed Items” form to the Card Issuer at 1-800-346-5538.
- E. Forward a copy of the “Statement of Disputed Items” form to the Finance Division.
- F. If, after notifying the Card Issuer, the Cardholder is not satisfied with the outcome, the Cardholder may contact the Administrative Services General Manager for assistance. At this time the Cardholder will need to inform the Administrative Services General Manager of any prior action taken to resolve this dispute.

VIII. Lost or Stolen Cards

Should any Cardholder lose, suspect of having lost, or have their credit card stolen, it is their responsibility to immediately notify the Card Issuer and the Finance Division of the loss. The following steps must be taken to report the loss:

- A. Report the loss immediately to the Credit Card Issuer at 1-800-541-2382. They can be reached 24 hours a day, seven day a week.
- B. Notify the Finance Division immediately upon discovering that the card is missing.

IX. Termination / Resigning Employees

- A. All efforts will be made by the Finance Division to obtain the credit card, any receipts, “Record of Credit Card Use” forms and other related forms when a Cardholder employee is terminated or resigns, or when a Cardholder official leaves office.
- B. If the credit card cannot be collected, a “Credit Card Maintenance” form shall be completed by the General Manager or City Manager, as may be appropriate, to insure the card is canceled.

X. Policy Violations

Failure to follow this policy may result in loss of Cardholder privileges and, for employees, may result in disciplinary action, including termination of employment.

**City of Cottonwood
Credit Card User Agreement**

1. I understand that I am making a financial commitment on behalf of the City of Cottonwood and will strive to obtain the best value for the City.
2. I understand that under NO circumstance will I use the credit card to make personal purchases, either for others or myself.
3. I will follow the established Credit Card policy. I understand that failure to do so may result in either loss of privileges or other disciplinary actions, including termination of employment.
4. I agree that should I willfully violate the term of this Agreement, I will reimburse the City of Cottonwood for all incurred charges and any fees related to the collection of those charges.
5. All receipts received when making a credit card purchase will promptly be forwarded to the Finance Division for monthly reconciliation and payment.
6. I understand that I am restricted to specific limits when using the credit card for purchases.
7. I agree that should I leave City of Cottonwood employment, I will return my credit card and all appropriate documentation to the Finance Division.
8. I will use the City of Cottonwood credit cards with the highest degree of personal and professional integrity and ethics, recognizing my responsibility to the public and the City organizations.
9. I agree to promptly contact JPMorgan Chase at 1-800-346-5538 if I lose, misplace, or have my credit card stolen.

I have received, read, understand, and agree to comply with the City of Cottonwood Credit Card User Policy.

Employee Name (Print)

Employee Signature

Date

Request for City of Cottonwood Credit Card

To: Finance Department

From: _____ Department

Subject: Request for Credit Card

I request that the following employee be issued a City of Cottonwood credit card.

Temporary Issue: _____ Length of Time: _____ Permanent Issue: _____

Employee Name: _____

Employee Title: _____

Reason for request:

Approved: _____ Disapproved: _____

Employee Signature

General Manger Signature

City Manager Signature

Administrative Services
General Manager Signature

**City of Cottonwood
Credit Card
Statement of Disputed Item**

Instructions: You should first make a good-faith effort to settle a claim or disputed charge directly with the vendor. If unable to resolve the dispute with the vendor, complete this form and fax to the Credit Card Issuer. Forward a copy of this statement to the Finance Division if you are not satisfied with the results of the Credit Card Issuer.

Send form to: JPMorganChase
Merchant Dispute Department
P. O. Box 15299
Wilmington, DE 19850-5299
Phone # (888) 489-8452

Cardholder Name: _____ Account Number: _____

This charge appears on our statement (billing close date): _____

Transaction Date: _____ Reference Number: _____

Vendor Name: _____

Posted Amount: _____ Disputed Amount: _____

Please check only *one* of the following:

- Unauthorized Transaction**
I did not authorize, nor did I authorize anyone else to engage in this transaction. No goods or services represented by the above charge were received by me or anyone I authorized. My credit card was in my possession at the time of the transaction.
- Charge amount does not agree with the order authorizing the charge**
The amount entered on the sales receipt was changed from \$_____ to \$_____. I have enclosed a copy of the unaltered sales receipt.
- Merchandise or Services Not Received**
I have not received the merchandise or services represented by the above transaction. The expected delivery date or services was _____. (On city letterhead, please describe any attempts to resolve this matter with the vendor, the date(s) you contacted them and their response.)
- Disputed Transaction**
I did engage in the above transaction, which I am now disputing. I have contacted the vendor, but I have been unable to return the merchandise and /or I have been unsuccessful in reaching an acceptable resolution with them. (On letterhead, please describe your attempt to resolve this matter with the vendor, the date(s) you contacted them and their response.)

Double or Multiple Charges
My credit card account has been doubled charged. The first charged appeared on the _____ (date) billing statement.

Defective or Wrong Merchandise
I returned the merchandise on _____ because it was: (check one)
 defective wrong size wrong color wrong quantity
(Please enclose proof of return)

Other (Explain)

Cardholder Signature

Date

**City of Cottonwood
Credit Card
Maintenance Form**

Cardholder Name
Name as it appears on the card: Account number:
Change name to:

Credit Limit
Permanent Change Temporary Change If change is temporary, how long is the limit in effect? _____
Current Single Purchase Limit: Change Single Purchase Limit To:
Current Billing Cycle Limit: Change Billing Cycle Limit To:

Card Replacement
Reason: Lost Stolen Mutilated Please return mutilated card to the Finance
Please Explain:

Card Cancellation
Name as it appears on card: Account number:
Please Explain:

_____ _____
Cardholder Signature Date

_____ _____
City Manager Signature Date

**City of Cottonwood
Credit Card Purchase Form**

Instructions: This form is to be completed and forwarded to the Finance Division within 72 hours of the purchase and must include original receipts or completed Statement of Documentation.

Department: _____ Employee Name: _____

The following purchase was made using the City credit card:

Date: _____ Vendor: _____ Amount: _____

Description of items purchased:

Charged to accounting code: _____

Credit Card Used (circle one):

(have initialed for approval by cardholder)

_____ Jesus R. Rodriguez
_____ Mike Casson
_____ XXXXXXXXXXX
_____ Douglas Bartosh
_____ Larry Wright
_____ Kyla Allen

_____ Roger Biggs
_____ Richard Faust
_____ Marianne Jiménez
_____ Tim Costello
_____ Larry Dawson
_____ Jody Fanning

**City of Cottonwood
Telephone / Facsimile Order Form**

Complete this form only if a receipt was not provided by the Vendor.

Merchant Name:
Date of Purchase:
Amount of Purchase:
Was the merchandise received? (Y / N)
Description of item(s) purchased:

Cardholder Signature

Date

