

**CITY OF BEAUMONT  
POLICIES AND PROCEDURES MANUAL**

Policy Number: 7.11

Subject: Sam's Club Card Procedures

Effective Date: May 1, 2013

Approved by: Kyle Hayes /           KH            
City Manager / Date

Laura Clark           LC           4/30/13  
Chief Financial Officer / Date

4-30-13

**I. PURPOSE**

- A. The Sam's Club Card is a credit card issued on behalf of the City of Beaumont by Sam's Club to a City employee for use in the purchase of materials as required by the City.
- B. The Sam's Club Card is for business purposes only and may not be used for personal transactions. Improper use of the Sam's Club Card may result in disciplinary action consistent with City policies, up to and including termination and possible prosecution.
- C. There is personal liability associated with the use of the Sam's Club Card. A Cardholder making an inappropriate or unauthorized purchase will be required to reimburse the City for the purchase. Reimbursements for inappropriate or unauthorized purchases may be deducted from the Cardholder's paycheck.
- D. Cards are issued to an employee rather than a Division or a Department. The Cardholder is responsible for verifying all purchases and transactions listed on the receipt. This verification must occur prior to leaving Sam's Club to avoid a disputed transaction being disallowed.
- E. The employee listed on the Sam's Club Card has the sole responsibility for the use and control of the card. The Cardholder is responsible for notification of a lost Sam's Club Card and initiating the dispute process for a questionable charge.
- F. Only the Cardholder is authorized to make purchases using the Sam's Club Card. Sharing of cards is prohibited. **The named CARDHOLDER is responsible for all transactions made with his or her own card.**

**II. PROCUREMENT LIMITS**

- A. The spending control limits are as follow:
  - 1. Single Purchase Limit not to exceed \$500 to a Sam's Club location in one calendar day.

2. Spending Limit per billing cycle not to exceed \$2,500.

### III. SALES TAX

All purchases made with the Sam's Club Card are exempt from the State of Texas sales tax. If sales tax is charged in error, it is the Cardholder's responsibility to contact Sam's Club to credit the sales tax.

### IV. SAM'S CLUB CARD ISSUANCE

The Sam's Club Card application form (Attachment "A") must be completed. Upon receipt of the completed application form, signed by the Department Director, the Purchasing Division will forward the necessary documentation to Sam's Club for processing. The Cardholder will sign the Cardholder Agreement (Attachment "B") prior to obtaining card from Sam's Club. The Purchasing Division will notify the Cardholder when the Sam's Club Card is ready for pick up at Sam's Club. This process takes approximately two (2) weeks.

### V. RESTRICTED USE

A. Sam's Club Cards may not be used for the following purposes without written authorization from the Chief Financial Officer or designee:

1. Electronics, computer equipment, office supplies that are on contract, office furniture and food;
2. Purchases in excess of \$500.

B. Food Purchases

1. Food for departmental/divisional birthday parties, retirement parties, holiday events and/or meetings are not eligible for purchase using the Sam's Club Card.
2. Other events that will need food to be purchased using the Sam's Club Card will require written authorization from the Chief Financial Officer or designee prior to the purchase. Approval may be in the form of an e-mail.
3. The written approval must be attached to the receipt.
4. Repeated failure to provide the written approval with the related receipt to the Purchasing Division in a timely manner will result in the removal of the Cardholder's authority to use the Sam's Club Card.

C. Clothing Purchases

1. All purchases of clothing using the Sam's Club Card will require prior written authorization from the Purchasing Manager or

designee.

2. The written approval must be attached to the receipt.
  3. Repeated failure to provide the written approval with the related receipt to the Purchasing Division in a timely manner will result in the removal of the Cardholder's authority to use the Sam's Club Card.
- D. Violation of these restricted uses or single purchase limit will result in suspension or possible removal of the cardholder's authority to use the Sam's Club Card.

#### VI. SAM'S CLUB CREDIT CARD

- A. Sam's Club will provide a receipt upon completion of a sale for the items purchased. Cardholder is to confirm the amount charged, write their name, account number and brief description for the need of the purchase on the original receipt. Cardholder may keep copies of the receipt for his/her own records.
- B. All disputes of pricing errors on a Sam's Club receipt must be settled at Sam's Club Customer Service prior to leaving the building.
- C. The original receipt is to be provided to the Purchasing Department within three (3) business days after purchasing the item(s).
- D. Repeated failure to provide receipt(s) to the Purchasing Department in a timely manner will result in the removal of the Cardholder's authority to use the Sam's Club Card.
- E. Cardholder shall only purchase items from Sam's Club that are authorized. Receipt(s) will be monitored for compliance.
- F. You may contact the Purchasing Division's Sam's Club Card administrator for assistance or other questions pertaining to the Sam's Club Card program.
- G. Repeated failure to follow the guidelines in this Policy will result in the removal of the Cardholder's authority to use the Sam's Club Card.
- H. Any exceptions to this policy must be approved by the City Manager or his designee.

**ATTACHMENT "A"**  
**APPLICATION FOR SAM'S CLUB CARD**

**NOTE:** *Cardholders must read and adhere to the City's Policy 7.11 on Sam's Club Card.*

Cardholder's Name (Please print or type.): \_\_\_\_\_

Last Four (4) digits of Social Security Number: \_\_\_\_\_

Department/Division: \_\_\_\_\_

Cardholder's Company Name: \_\_\_\_\_ City of Beaumont \_\_\_\_\_

Cardholder's Address: \_\_\_\_\_ P.O. Box 3827, Beaumont, Texas 77704 \_\_\_\_\_

**DEPARTMENT DIRECTORS:** \_\_\_\_\_

**NOTE:** *Cards will not be assigned without proper authorization.*

Approved by: \_\_\_\_\_

Print or Type Name: \_\_\_\_\_

Date: \_\_\_\_\_

For Purchasing Divisions Use Only:	
Cardholder's Department Code No.:	

**ATTACHMENT "B"**  
**CARDHOLDER AGREEMENT**

I have received and read the City's policy on **7.11 Sam's Club Card Procedures** concerning the use of the City of Beaumont's Sam's Club Card. I understand that misuse of the card could result in disciplinary action consistent with City policies, up to and including termination and prosecution. Any unauthorized or improper use of the Procurement Card may be deducted from my compensation.

I agree to notify Sam's Club Customer Service within 24 hours should my card be lost or stolen, and to notify the Sam's Club Card Administrator in Purchasing.

***Upon termination or transfer to another department, the card must be surrendered to my immediate supervisor.***

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Print or Type Name*

\_\_\_\_\_  
*Signature of Cardholder*

\_\_\_\_\_  
*Department/Division*