

III. SALES TAX

All purchases made with the Procurement Card is exempt from the State of Texas sales tax. Upon vendor request, a Tax Exemption Certificate will be completed and faxed to the vendor by the Purchasing Division. If sales tax is charged in error, it is the Cardholder's responsibility to contact the vendor to credit the sales tax back to the Procurement Card.

IV. PROCUREMENT CARD ISSUANCE

The Procurement 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 the Procurement Card Provider for processing. The Procurement Card Provider will send the Procurement Cards to the Purchasing Division. This process takes approximately two to four weeks. Upon receipt of the Procurement Cards, individuals will be asked to sign the Cardholder Agreement (Attachment B) and the Procurement Cards will be released.

V. PROCUREMENT CARD USE

- A. It is the Cardholder's responsibility to ensure receipt of goods and services and to follow up with vendors to resolve any problems with delivery, discrepancies, and/or damaged goods.
- B. The Cardholder shall retain documentation of all purchases for record keeping purposes and to maintain an audit trail. This documentation shall include original receipts, sales receipts, packing slips and any other information related to the Procurement Card transactions. If you order by phone or via the Internet, inform the vendor that an itemized sales receipt must be included in the package.
- C. Any charge on the billing statement may be disputed by the Cardholder if it is questionable or an error. If there is a charge that is not recognized, or it appears to be incorrect, contact the vendor and try to resolve the dispute. If an agreement cannot be reached, the Cardholder shall dispute the charge online. Once the dispute information is completed online, print a copy of the information and submit it with the monthly Procurement Card reconciliation.
- D. All disputed transactions must be communicated to the Procurement Card Provider within forty-five (45) days after the billing close date. The Procurement Card Provider will investigate and contact the City's Procurement Card Program Administrator to resolve the disputed charge. The Procurement Card Provider will place the charge in a "State of Dispute" and the account may be given a provisional credit until receipt of adequate documentation from the vendor. If the documentation appears to be in order, the transaction will be re-posted to the account and the dispute considered closed. If the disputed charge is suspected to be fraudulent, the Procurement Card will be immediately blocked.

- E. The Cardholder shall notify the Procurement Card Provider immediately if your Procurement Card is lost or stolen. This is done by calling the Customer Service number on the back of the Procurement Card. Representatives are available 24 hours a day, 7 days a week. After notifying the Procurement Card Provider, you must notify the Purchasing Division of a lost or stolen Procurement Card.

VI. MONTHLY REPORTING

- A. Every billing cycle, the Cardholder will receive a billing statement of their transactions. Included with that billing statement is a deadline for which the reconciliation is required.
- B. Every billing cycle the Cardholder must log on to the Procurement Card Provider's web site to reconcile their charges. A copy of instructions to perform the online reconciliation may be obtained from the Purchasing Division's Procurement Card Administrator. The Cardholder must confirm the vendor, amount charged, brief description of the item, and the department/division budget number. Upon completion of this process a Cost Allocation Detail Report, hereinafter referred to as CADR, must be printed. The Cardholder shall submit to the Department Head/Supervisor the signed CADR report with all original receipts and documentation attached. The Cardholder may keep copies of the CADR and all supporting documentation for his/her records.
- C. Department Directors shall sign the CADR, indicating approval of charges. Discrepancies and/or improper usage of the Procurement Card shall immediately be reported to the City of Beaumont Controller.
- D. Upon the Department Director's approval, the CADR and original supporting documentation shall be submitted to the Procurement Card Administrator in Purchasing by the deadline indicated.
- E. Repeated failure to provide documentation to the Department Directors in a timely manner will result in the removal of the Cardholder's authority to use the Procurement Card.
- F. You may contact the Purchasing Division's Procurement Card Administrator for assistance with online reconciliations or other questions pertaining to the Procurement Card program.

VII. RESTRICTED USE

- A. Procurement Cards may not be used for the following purposes without written authorization from the City Manager, Chief Financial Officer, or designee:
 - 1. travel, training, registrations, hotels, airlines, car rental, food, entertainment, and clothing;
 - 2. purchases in excess of \$500.

- B. Procurement Cards may not be used for the following purposes without written authorization from the Chief Financial Officer or designee:
1. Food for departmental/divisional birthday parties, retirement parties, holiday events and/or meeting are not eligible for purchase using the Procurement Card.
 2. Other events that will need food to be purchased using Procurement 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 Procurement card.
- C. Only the Cardholder is authorized to make purchases using the Procurement Card. Sharing of cards is prohibited. **The named CARDHOLDER is responsible for all transactions made with his or her own card.**
- D. Violation of these restricted uses or single purchase limit will result in suspension of the cardholder's authority to use the Procurement Card.

ATTACHMENT "A"

APPLICATION FOR PROCUREMENT CARD

NOTE: *Cardholders must read and adhere to the City's Policy 7.4 on Procurement Card Procedures.*

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.:	

Revised 4/1/13 /bd

ATTACHMENT "B"
CARDHOLDER AGREEMENT

I have received and read the City's policy on **7.4 Procurement Card Procedures** concerning the use of the City of Beaumont's Procurement 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 the Procurement Card Provider Customer Service within 24 hours should my card be lost or stolen, and to notify the Procurement Card Administrator in Purchasing.

Upon termination or transfer to another department, the card must be surrendered to my immediate supervisor. The card then must be turned in to Purchasing.

Date: _____

Print or Type Name: _____

Signature of Cardholder: _____

Department/Division: _____