



City of Kyle, Texas Purchasing Card Policy

A. Policy Description & Requirements

1. The City of Kyle issues a City of Kyle Purchasing Card to key department employees to use for certain purchase transactions allowed under this policy for City business purposes only.
2. The use of the Purchasing Card is strictly a privilege and not an employee benefit.
3. The purpose of the Purchasing Card program is to provide an effective purchasing method to securely complete transactions that are difficult to process through the standard City purchasing methods.
4. Examples of typical transactions using City Purchasing Card include for City business related expenses such as for airline, hotel, meals, and transportation.
5. Other examples include registration fees for conference and training, technical books and subscriptions, purchases required to respond to an emergency condition, emergency need to purchase materials, parts, and supplies for emergency repairs, minor purchases due to unforeseen and urgent need for small tools, parts, materials, and supplies, and food/snacks for City meetings and training sessions.
6. The City's Purchasing Card program is not intended to be used for standard or routine planned purchases by City departments or to pay vendor invoices on a regular basis. All of the routine or standard purchases must and should be processed using the City's standard purchasing and accounts payable policy and procedures.
7. The Purchasing Card is issued to a specific City employee in their name, who is the cardholder responsible for all transactions charged on the Purchasing Card.
8. The Purchasing Card will be revoked and canceled if this policy is not followed and complied with by the cardholder City employee.
9. A detailed transaction receipt from the vendor showing the date of purchase, item purchased, and the amount of the purchase is required for each purchase using the City Purchasing Card.
10. All detailed receipts supporting each transaction posted on the month card statement must be submitted by the cardholder City employee to the Accounts Payable section in the City's Financial Services Department.
11. All City employees who are issued a City Purchasing Card must review the City's Purchasing Card Policy and the Cardholder User Agreement.
12. The Cardholder User Agreement must be signed and dated by the employee, signed and dated by the employee's Department Director, and must be received in the

- Accounts Payable section of the City's Financial Services Department before a Purchasing Card will be released to the employee.
13. The City employee who is issued a City Purchasing Card is must adhere to and comply with all of the standards and requirements as prescribed in the City's Purchasing Policy, Purchasing Card Policy, and the Cardholder User Agreement.
 14. The use of the City of Kyle's Purchasing Card DOES NOT in any manner waive or make any exceptions to the requirements of and compliance with the City's Purchasing Policy and state law governing procurement.

B. Request for City Purchasing Card

If a Department Director determines that there is a solid business need and case for the issuance of a City Purchasing Card to a specific City employee in their department based on the employee's position responsibilities and duties, then the Department Director may submit their request in writing to the City's Director of Finance with the following information:

1. Provide business case justification for the Purchasing Card request.
2. Provide:
 - a) Employee's name (no nicknames)
 - b) Employee's position title
 - c) Employee's e-mail address
 - d) Employee's phone number
3. Copy the Assistant City Manager or the City Manager that the Department Director reports to.
4. The Director of Finance shall assess if the business case justification as provided by the Department Director justifies and warrants the issuance of a City Purchasing Card to the named employee.
5. If approved by the Director of Finance, the issuance of a Purchasing Card requires approximately two weeks to process the request and receive the card. The appropriate staff in the Accounts Payable section of the City's Financial Services Department will notify the cardholder employee when the Purchasing Card is received from the City's bank.

C. Prohibited Items

The purchase or procurement of the following items are strictly prohibited with the use of a City Purchasing Card:

1. Only budgeted expenses should be charged.
2. Cardholders should make every effort to ensure that purchases do not include sales tax.

3. Purchasing Cards are only to be used for City of Kyle business purposes. Purchases of any type for personal use or benefit are not allowed.
4. The following purchases/transactions are not allowed unless an exception is granted in writing by the City Manager:
 - (a) Alcoholic beverages and or tobacco products.
 - (b) Capital equipment and replacements.
 - (c) Construction and or renovation expenses.
 - (d) Controlled substances or charges, fees, and or fines for illegal substances, products, activities, and or services.
 - (e) Equipment or other types of maintenance agreements.
 - (f) Travel related upgrades for airline tickets, limousines, hotels, preferred seating or boarding, etc.
 - (g) Entertainment expenses.
 - (h) Donations and or charitable contributions.
 - (i) Personal items.
 - (j) Gift Cards.
 - (k) Cash advance or personal loans.

D. Monthly Statements

1. The monthly billing cycle determines the cardholder's available credit balance on their individual Purchasing Card – not when Accounts Payable processes payment on the card.
2. By the fifth (5th) business day of the following month, the cardholder will receive an itemized statement showing all transactions incurred and charged during the previous month.
3. The cardholder must code each transaction on the monthly statement (what budget cost center and line-item) to charge. When coding, provide complete sequence of information to include Fund-Department-Line Item.
4. The cardholder must provide and attach the original detailed receipt for each transaction shown on the monthly statement.
5. For small receipts, the cardholder may attach by taping the receipt to a standard (8.5" x 11") sheet of paper. Multiple small receipts can be attached to the same paper provided that each original receipt can be easily viewed, examined, and copied or scanned.
6. If an original receipt is accidentally misplaced, destroyed, or lost; the cardholder must follow the steps below to provide acceptable supporting documentation:

- a) Contact the vendor and request a replacement receipt or a paid invoice. , etc.
- b) The cardholder will be requesting for documentation from the vendor to prove the specific transaction charged to the Purchasing Card including date of purchase, description of item purchased, and the cost of item purchased.
- c) If the vendor is unable to provide the above documentation (this is extremely rare), the cardholder is required to provide a written, signed, and dated memorandum and or statement to document the purchase for which the original receipt was accidentally misplaced, destroyed, or lost.

The following minimum information must be provided by the cardholder in the written, signed, and dated memorandum and or statement to document the purchase for which the original receipt was accidentally misplaced, destroyed, or lost.

- 1) Vendor's name.
 - 2) Vendor's address or location.
 - 3) Date of purchase.
 - 4) Description of item purchased.
 - 5) Amount of purchase.
 - 6) Purpose for item purchased.
 - 7) Brief explanation of what happened to the original receipt.
7. If it is determined that a cardholder regularly or routinely misplaces original purchase receipts, the City's Director Finance is hereby authorized under this policy to revoke and cancel the cardholder's City Purchasing Card without any notice.
 8. If there is a discrepancy on your statement (ex. a charge that you're not aware of, amount charged is not the same as the receipt, etc), it is your responsibility to investigate and try to resolve the situation. The Finance Department will assist if needed.

E. Compliance Requirements of the Purchasing Card Policy

1. All City employees who are issued a City Purchasing Card are expected and required to fully comply with all provisions and requirements of the City's:
 - a) Purchasing Policy
 - b) Purchasing Card Policy
 - c) Purchasing Card User Agreement

2. Failure by the cardholder to follow and adhere to the requirements of the above City policies, in addition to any personnel actions, shall at a minimum, result in the immediate revocation and cancellation of the Purchasing Card issued to them.

F. Authorization

The above administrative guidelines, internal procedures, and requirements of the Purchasing Card Policy are for all cardholders who are issued a City Purchasing Card. The administrative guidelines, internal procedures, and requirements outlined in this document will be revised and updated as appropriate and necessary.


Jerry Hendrix
Interim City Manager