

Purchasing Card Program

Scope: CITYWIDE

Policy Contact

Procurement Division, Finance Department
(916) 808-6240
purchasing@cityofsacramento.org

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Supersedes:

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Reviewed/Effective:

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1. Purpose

To provide guidance for appropriate use of City-issued Purchasing Cards for the purpose of purchasing supplies and services. This API addresses the administration of the Purchasing Card Program, credit and transaction limits, vendor restrictions, statement reconciliations and payments, and cardholder responsibilities. The Purchasing Card Program is administered by the Procurement Services Division. The Procurement Services Division is located at:

915 I St, 2nd Floor
Sacramento, CA, 95814
Phone: (916) 808-6240

2. Scope

This Administrative Policy Instruction (API) addresses the use of debit cards for the purchase of supplies and services for the City. The City shall maintain a banking contract which allows for the administration of a Purchasing Card Program.

3. Site & Program Administrators

- 3.1 Each Department has at least one (1) Site Administrator. A Site Administrator is designated to keep documentation for the Purchasing Card activities in each Division and serves as the primary contact. Site Administrators are knowledgeable about the Program and can provide assistance with Purchase Card changes (e.g. credit limits, Purchasing Card information, etc.). Initial contact should be made with the Site Administrator who will refer questions or problems to the Program Administrator when needed.
- 3.2 The Procurement Services Manager or designee is the Program Administrator. The Program Administrator maintains contact with the City's banking representative and should be contacted for questions or problems one might encounter. The Administrator can be contacted by calling Procurement at (916) 808-6240.

4. Cardholder Responsibility

- 4.1 Each individual to whom a card is issued is responsible. Cardholders are responsible for safeguarding that card and for any and all use of the Purchasing Card. All cards will be issued in an individual's name and are to be used for **City business purposes only**. The individual named on the card is the only one authorized to use the Purchasing Card. Use of the purchasing card by any person other than the cardholder is prohibited, meaning an authorized individual cannot provide their card to other staff to make purchases. Please choose the appropriate staff level to receive a Purchase Card to ensure the proper use. When not in use the card should be secured in a safe place.

- 4.2 If the Purchasing Card is lost or stolen, report it immediately to the City's current bank. Representatives are available seven days a week, 24 hours a day. In addition, notify the Program/Site Administrator of the loss and follow up to obtain a replacement Purchasing Card.

5. Obtaining a Purchasing Card

The complete Purchasing Card Request package, as well as the Purchasing Card Program User's Guide, can be obtained by calling Procurement at (916) 808-6240.

6. Credit Limits and Transaction Limits

- 6.1 Each Purchasing Card has a monthly credit limit. This credit limit is established based on the average monthly purchases made by an organization and as approved by a division manager or department director. Changes to the credit limit may be made by contacting the Program Administrator.
- 6.2 Each Purchasing Card also has a single transaction limit. This limit is normally \$5,000.00 (i.e., the discretionary purchase amount below which no competitive bidding is required) but can be less if desired by the requesting division. A transaction consists of the total purchase price, including tax and freight. Attempts must not be made to make a purchase greater than the approved single transaction limit amount, nor should vendors be requested to make multiple billings to avoid the single transaction limit amount.

7. Restrictions

- 7.1 The Purchasing Card Program allows for the exclusion of some vendor classifications or commodity groups. If a department or division wishes to restrict the use of the Purchase Card to certain vendor classifications or commodity groups, contact Procurement for assistance.
- 7.2 The Purchase Card cannot be used for (list is not exhaustive):
 1. Non-City business.
 2. Cash advances.
 3. City employees, volunteers, and/or representatives for the purchase of flowers, shower gifts, birthday gifts, bereavement gifts, etc., for employees.
 4. Gift cards for City employees, volunteers, and/or representatives.
 5. Alcohol.
 6. Fines and penalties incurred by employees including toll violations.
 7. The purchase of goods or services from vendors that the employee knows, or should have known, to be within the scope of a current contract with the City (Does not include P-Card purchases made through Amazon).

8. Non-emergency travel. (With the exception of the Citywide Travel Management Program Administrator(s) within the Procurement Division)

8. Monthly Statements and Reconciliations

The Purchasing Card billing system is an individual bill/central pay arrangement. Each individual cardholder will receive a monthly statement for review and reconciliation to the cardholder's records of individual transactions. Comprehensive statements are also received by the Finance Department for all cardholder transactions. Statements are automatically paid to the bank through a direct charge to the City's bank account. Each month, the Accounting Division will prepare a journal entry to charge the total of the individual cardholder's monthly charges to the cardholder's designated department ID as an expenditure against account code number 481081. It is the department's responsibility to prepare a journal entry to reclassify the expenditures charged in account number 481081 to the appropriate expense account for budgetary tracking and management reporting.

9. Reporting Unauthorized Use of Purchase Card

Employees authorized to use a purchase card are responsible for ensuring purchases made are in compliance with this policy. Accidental or improper use of the purchase card must be reported by the employee to their immediate supervisor as soon as reasonably possible and may subject the employee to discipline.



**Charter Officer Review and Acknowledgement
Purchasing Card Program Policy**

(Signature by all Charter Officers is not a requirement for policy adoption)



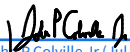
[Howard Chan \(Jul 20, 2023 14:11 PDT\)](#)

City Manager Jul 20, 2023

City Attorney



City Clerk Jul 20, 2023



[John P. Colville Jr \(Jul 20, 2023 12:42 PDT\)](#)

City Treasurer Jul 20, 2023



[Jorge Oseguera \(Jul 23, 2023 17:43 PDT\)](#)

City Auditor Jul 23, 2023