



CITY CREDIT CARD PROGRAM

Key Bank MasterCard

Introduction

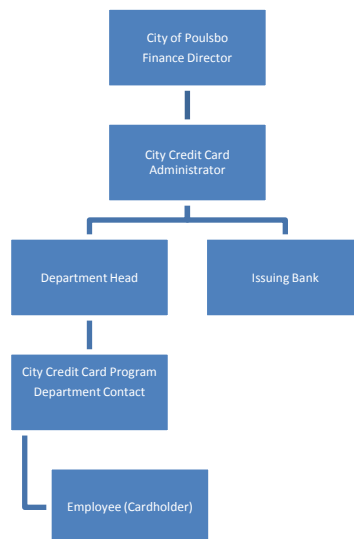
The City of Poulsbo recognizes that the use of credit cards is a customary and economical business practice to improve cash management, reduce costs, and increase efficiency.

The City of Poulsbo also recognizes the use of credit cards to be an appropriate and useful means of making payment for a variety of types of purchases; some examples may include travel expenses, departmental supplies, subscriptions, on-line purchases and recurring vendor payments (where appropriate).

The Finance Director shall implement and administer the following procedures and processes related to the use of credit cards by City officials and employees:

Distribution

City credit cards may be directly issued to those City officials and employees who, in the opinion of their Department Head and the Finance Director, have job responsibilities, which could be more easily facilitated by the use of a credit card and the credit card use, would benefit the City. Each department may also be issued a department credit card which could be used as necessary by various individuals within their department for pre-approved purchases.





Application

All regular full-time City employees are eligible to be issued a City of Poulsbo Key Bank MasterCard with their Department Head's approval.

1. Employee completes the City of Poulsbo Key Bank MasterCard Application Form ([see Exhibit A](#)) and signs the City of Poulsbo Credit Card User Agreement ([see Exhibit B](#)).
2. Department Head approves the application and forwards it along with the signed user agreement to the City Credit Card Administrator.
3. The Administrator will process application with issuing bank and setup training online for the employee.
4. Once online training is completed by employee, they will receive their new, activated procurement card from the Administrator.

Authorization & Control

Issuing Bank

Key Bank is the issuer of the City of Poulsbo MasterCard Credit Card. They provide an on-line portal at: <https://www.key2purchase.com/Welcome.aspx> in which authorized users may review their credit card transactions within 2 days after the purchase is made. City Credit Card Department Contacts will also use this portal to print and reconcile their monthly statements by the 5th business day of each month. ([Review Exhibit C for detailed how-to instructions](#))

Finance Director

The Finance Director will be the responsible authority for designating a City Credit Card Administrator who will set up and maintain each department's credit card account(s) with the banking facility.

City Credit Card Administrator

The City Credit Card Administrator (designated team member of the Finance Dept) will be responsible for the overall administration of the procurement card program by reviewing, reporting and coordinating all aspects of the program. This administrator will act as the liaison between Key Bank and the individual city credit cardholders.



Department Head / Department Contact

Each Department Head will be responsible to designate a City Credit Card Program Department Contact, an individual within their department that will oversee, collect receipts, track purchases, monitor disputes and reconcile statements monthly for each credit card issued to and within his/her department. This individual will be the primary department contact for the program.

Employee (Cardholder)

Before being issued a City of Poulsbo Key Bank MasterCard Credit Card or before authorized use of a City Department MasterCard Credit Card, each employee will be required to sign a City of Poulsbo Credit Card User Agreement ([see Exhibit B](#)) acknowledging that they have read and understand this policy, that they understand violation of the policy will subject them to disciplinary action, and that in the event they make any unauthorized charges they expressly authorize the City to deduct the same from any wages or other sums due or to become due to the employee from the City.

Approved Uses for Credit Card Purchases

Each City Department will have a minimum of one department credit card with a credit limit of \$5,000.00. Such credit card(s) shall be used for business-related purchases not to exceed \$1,500. Examples of allowable purchases may include advance payment of airline fares, lodging, registration fees, and tuition (where such expenses have been included in the budget approved by the City Council). Authorized users within each department may also use their department credit card(s) for pre-approved one-time or recurring purchases from vendors not exceeding \$1,500.00. These credit cards may be used anywhere that MasterCard is accepted.

Authorized users may use the credit card to purchase meals while in travel status. However, those meals must fall within the per diem rates set within the Employee Expenses and Reimbursement Policy. If less than three meals a day is to be paid, then the user must limit the meal to the applicable rate. All meals charged must have the original receipt showing what was specifically purchased. If the receipt does not show the detail or if the meal is over the rate, the user will be responsible to reimburse the City for this purchase.

When considering use of the city credit card:

1. Identify goods and services required to perform job-related task.
2. Determine if purchase is within your credit card limits.
3. Ensure that the items are not on the exception list.
4. Obtain pricing and in-stock availability and only order items that are immediately available.



5. Ensure that the vendor immediately authorizes the purchase with MasterCard and forwards you a detailed copy of the credit card purchase receipt.
6. Retain all receipts, packing lists and backup authorizing documents and forward to the Department Contact for reconciliation of the monthly statement.

It is required that all credit card receipts and/or other documents identifying the credit card expenditures be in complete detail. These must be delivered to the appropriate department contact within twenty-four (24) hours.

Keep in mind that when involved in any aspect of purchasing, you are acting as an agent of the City of Poulsbo. Therefore, you are responsible to act in the best interest of the City. Your actions must NOT show, or appear to show, personal favoritism to a vendor at the expense of the City.

Disallowed Charges

The following uses are not authorized credit card purchases:

- Capital Equipment
- Personal Items and Services
- Cash Advances of any kind
- Alcoholic Beverages
- Money Orders/Travelers Checks/Gift Cards
- Charges made without pre-approval

No employee shall use the City-issued credit card for non-City business or personal use. Any employee using a City-issued credit card for unauthorized non-City business or personal use may be subject to disciplinary action and shall be billed by the City for all such unauthorized charges. Disallowed charges, or charges not properly identified, will be paid by the employee before the charge card billing is due. If a situation arises where an employee is responsible for charges and the timing of the payment may result in interest and/or late fees, the Finance Director must be informed immediately. These charges are considered liens against any amount owed by the City to the employee. The City may withhold any amounts from funds owed to the employee in default.

Any employee with a demonstrated history of charge card defaults may be barred from using any City credit cards by the Mayor, Finance Director or Department Head, as appropriate.



Credit Limits

There are two types of transaction limits:

Individual Cards

Dollars per Transaction = \$1,500

Total Transaction Dollars per Month = \$2,500

Department Cards

Dollars per Transaction = \$2,500

Total Transaction Dollars per Month = \$5,000

If an increase or decrease to these transaction limits is deemed necessary by the Department Head, the request must be submitted in writing to the City Credit Card Administrator and approved by the Finance Director. Please specify within this increase request whether this is a temporary or permanent request.

There are also limitations on acceptable merchant category codes (MCC). In other words, some vendors may be disallowed and thus will cause a decline of any attempted purchase with them (allowable or not). If after adhering to the proper guidelines and limits stated above, you feel that your purchase has been mistakenly declined, contact your City Credit Card Administrator for assistance.

Receipt of Goods & Services

The cardholder is responsible for ensuring the receipt of the goods and services as ordered and any follow-up with the vendor to resolve any delivery problems, discrepancies or damaged goods. Should any item(s) need to be returned to the vendor, the cardholder will follow the vendors return policy and also be responsible to ensure that proper credit is posted for said return item(s). In most cases, returns and errors can be resolved directly between the cardholder and the vendor.

If for any reason the cardholder is unable to reach agreement with the vendor, the cardholder must contact Key Bank and explain the dispute and the reason behind it. In addition to contacting Key Bank, the reporting cardholder will also contact the City Credit Card Administrator and apprise them of the situation. We will follow KeyBank procedures in relation to the dispute and its process.



Payment of Bills

Monthly Billing statements will be retrieved on the first business day of the month by each department via the on-line portal provided. This will typically be done by the City Credit Card Department Contact. Each department will establish a system of receipt collection and will prepare a claim form, with appropriate receipts attached and proper account coding, for the total amount of the monthly billing and submit these claim(s) in a batch to the Accounts Payable Technician by the 5th of the month following the charges. A separate claim form is to be submitted, with appropriate receipts attached, for each separate department card.

The Finance Department will be responsible for reconciling the complete combined city card statement each month. The City of Poulsbo will not pay interest and/or penalties on any credit card. The City of Poulsbo is responsible for the MasterCard payment and liability and it will not affect any city cardholder's personal credit in any way.

Card Security

Your City of Poulsbo MasterCard should always be treated with great care and should be kept in a secured location. If your name appears directly on the face of the card, you are the only person authorized to use the card and it should not be lent to another person. If it is a Department Credit Card, it should be locked up when not in use and should only be accessible by the Department Head and/or the designated Department Contact.

Be sure not to write the credit card number(s) down in any location and do not allow any vendor to write down your credit card number.

It is the responsibility of the cardholder to immediately report a lost or stolen city credit card. The City of Poulsbo is liable for all transactions until the card is reported lost or stolen. A cardholder must report a lost or stolen to the City Credit Card Administrator. Verbal reports of lost or stolen credit cards must be followed up in writing to the City Credit Card Administrator. A replacement card will be sent within 10 days after report is filed.

Renewal of an Existing Credit Card

A renewal credit card will be sent automatically to the City Credit Card Administrator by the issuing bank approximately 30 days prior to the expiration date of the card. This renewed card will in turn be forwarded to the cardholder.



Extended Absence

If you will be absent from the City for an extended period, please seek assistance from the City Credit Card Administrator to determine the best options to cover your procurement responsibilities.

Audits & Enforcement

To ensure the continued success of the City Credit Card Program, as well as adherence to the policies as outlined, all individual credit card accounts will be open to internal audit requirements.

Statement Reconciliations not received by due date or without complete receipt detail – Your credit card limits will be set to ZERO until reconciliation is received. For continual offenders, your credit card may be cancelled at the discretion of the Finance Director.

Personal Use – Personal use of a city credit card will NOT be tolerated and will result in:

- Disciplinary measures that may include termination and/or legal action
- Permanent revocation of the card
- Direct payroll deductions for any unauthorized or personal charges made on the city credit card

Termination – You must return your credit card to the City Credit Card Administrator when you leave/terminate your employment with the City of Poulsbo.



Resources

Who to Call

City of Poulsbo

City Credit Card Administrator - Zach Cunningham

Phone: 360-394-9722

Email: zcunningham@cityofpoulsbo.com

City Credit Card Administrator Backup - Jana Brown

Phone: 360-394-9721

Email: jbrown@cityofpoulsbo.com

MasterCard - Key Bank

Key2Purchase General Support	1-855-261-2683
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*** Cardholders needing further Access Online support should contact their Program Administrator ***

Documents

[City Credit Card Application - see Exhibit A](#)

[City Credit Card User Agreement - see Exhibit B](#)

[US Bank Web Portal How-To Instructions - see Exhibit C](#)



City Credit Card Application - Exhibit A



CITY OF POULSBO PURCHASE CARD APPLICATION

Please forward application to: City of Poulsbo – Credit Card Administrator

EMPLOYEE INFORMATION

First Name Middle Initial Last Name

200 NE Moe St, Poulsbo, WA 98370

Business Address

Business Phone

Date of Birth

000 - 00 - Social Security Number (Last Four Digits Only)

CITY OF POULSBO INFORMATION

City of Poulsbo Company Name

200 NE Moe St Company Address

Poulsbo WA 98370 City State Zip

DEPARTMENT / APPROVAL INFORMATION

Monthly Credit Limit (*, **) Single Transaction Limit (*, **)

Card Type (Individual or Department) Name on Card *Individual Limits - \$2,500 Monthly / \$1,000 Single **Department Limits - \$5,000 Monthly / \$2,500 Single

EMPLOYEE / APPROVAL SIGNATURE

Printed Applicant Name Signature of Applicant / Date

Printed Department Head Signature of Department Head / Date

Printed Finance Director Signature of Finance Director / Date

Printed Credit Card Administrator Signature of Credit Card Administrator / Date



City Credit Card User Agreement - Exhibit B

CITY OF POULSBO CREDIT CARD USER AGREEMENT

Your signature below verifies that you have read and understand the City of Poulsbo Credit Card Program guidelines listed below and agree to comply with them.

- 1. I understand the City Credit Card is intended to facilitate the purchase of business-related goods and services for the conduct of City business and is not for my personal use.
2. I understand that my card and/or privileges may be revoked at any time based on change of assignment or location and that use of this card is not an entitlement nor reflective of title or position.
3. I understand that if I am issued a card with my name specifically, I am the only person authorized to use the card and am responsible for all charges made against the card.
4. I understand that improper use of the card can be considered misappropriation of City funds, which may result in disciplinary action, up to and including termination.
5. I understand that all charges are billed directly to and paid by the City of Poulsbo.
6. I understand that I will be required to provide detailed receipts to reconcile monthly statements and to comply with internal control procedures designed to protect the City assets.
7. I understand that I am responsible for resolving any discrepancies that may occur by contacting the vendor and/or Key Bank directly.
8. I will safeguard use of the issued credit card and use appropriate security whenever and wherever I use the card.
9. I understand that the card in my name or the department has a set credit limit and single transaction limit.
10. The credit and single transaction limits cannot be changed unless requested by a department head and submitted to the City Credit Card Administrator.

I hereby acknowledge receipt of the City Credit Card (ending in last 4 digits) _ _ _ _

Or, I hereby acknowledge authorization to use _____ Department card

As a Corporate Cardholder, I agree to comply with the terms and conditions of the agreement, including the City of Poulsbo's City Credit Card Program as outlined in the City of Poulsbo Finance Handbook.

I HAVE READ AND UNDERSTAND THE ABOVE CONDITIONS.

Cardholder/Authorized User: _____ Date: _____

Signature: _____ Phone Ext: _____

Department: _____ Department Head: _____

D/H Signature: _____ Date: _____



Key Bank Web Portal How-To Instructions - Exhibit C

- Log onto: <https://www.key2purchase.com/Welcome.aspx>
- Type in where indicated the following
 - User Name = specific to the user
 - Password = specific to the user
 - Organization ID = COP

- To Review Transactions:
 - Choose Transaction Maint at the top right
 - Choose Transaction Management

- To Review/Print Statements:
 - Choose Transaction Maint at the top right
 - Choose Statements
 - Search for the specific card



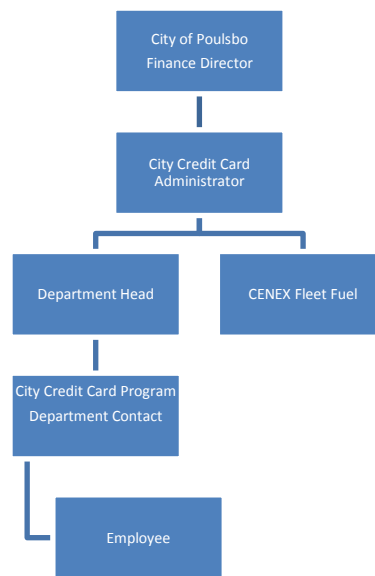
CENEX FLEET FUEL

Introduction

The City of Poulsbo has an extensive fleet of vehicles within the Public Works, Police, Engineering, Planning and Parks & Recreation Departments. The City does not maintain its own fueling source for this fleet; rather we utilize the Cenex Fleet Fuel facility located within the city limits.

Distribution

Each city owned vehicle has one Cenex Fleet Fuel Credit Card assigned to it. This fuel card is to remain within its assigned vehicle at all times.



Application

When a Department Head determines that a city employee should be authorized access to the Fleet Fuel Credit Card, that employees' first and last name shall be provided to the City Credit Card Program Administrator. The administrator will then contact Cenex Fleet Fuel directly and authorizes the new user and assign their unique 4-digit PIN #.



Authorization & Control

Each individual employee who has job responsibilities that include fueling of a city vehicle will be issued unique 4-digit PIN #. The employee will then use the Fleet Fuel Credit Card located within the vehicle they are fueling; however, they will need to input their unique PIN # to gain authorization to pump the fuel and charge the cost to the Fleet Fuel Credit Card. These purchases are then tracked by not only Vehicle # but also Employee PIN #.

Approved Use

The Cenex Fleet Fuel Credit Card is to be used for fuel purchases for city-owned vehicles only. The Cenex Fleet Fuel Credit Card is the primary method for purchase of fuel; the City of Poulsbo VISA Credit Card may only be used when a Cenex Fleet Fuel location is not available and with prior approval.

Payment of Bills

The combined monthly billing statement will be retrieved by the Finance Department Cashier via the on-line portal around the 7th of each month. The statement is for all city charges that were incurred for the month previous and are broken out on the statement based on card usage. The Finance Cashier will then take this detail and complete one claim form that breaks down each individual department's charges using appropriate account coding. Once this claim form is completed, along with the backup attached, it is routed in the next available Mayor's Department Head Weekly Meeting. Each department head will review and initial on the original claim form for their department's charges therefore authorizing payment of the claim. The Finance Cashier will then enter the fully authorized claim into an Accounts Payable batch for payment.

Card Security

Every city-owned vehicle will have one assigned Cenex Fleet Fuel Credit Card. Each card should remain with its respective vehicle and should be kept in a secure location. Although the card may not be used without a valid PIN#, it should still remain secured within the vehicle.

Termination

Whenever an authorized employee leaves employment, the City Credit Card Administrator must be notified immediately so that their PIN# can be de-activated. This will ensure that there are no unauthorized charges made on the Cenex Fleet Fuel Credit Card.



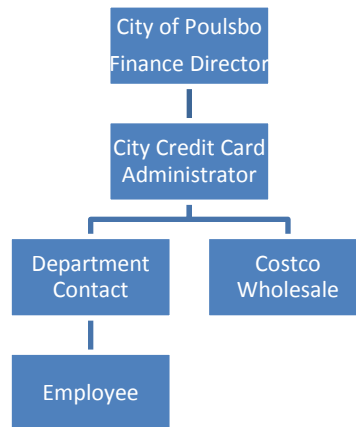
COSTCO WHOLESALE

Introduction

The City of Poulsbo recognizes that Costco Wholesale is a multi-purpose vendor that serves the varied needs of city departments as well as offers a competitive pricing structure. Since VISA credit cards are not accepted at Costco, the City of Poulsbo has established a credit account directly with Costco.

Distribution

The City of Poulsbo has one Costco Corporate Membership Card along with one Costco Credit Card securely located with the Finance Department available for check-out for city purchases.



Authorization & Control

Each individual employee who has job responsibilities that include purchasing for their department can, with their Department Head's approval, check-out the City's Costco Corporate Membership Card along with the City's Costco Credit Card. To check-out these cards, contact the City Credit Card Administrator in the Finance Department to arrange a time to pickup. The employee will sign for receipt of the cards and the finance team member will sign documenting the "check-out". The cards should be returned on the same day as checked-out unless prior arrangements are agreed upon. These cards are locked in a secure location within the City of Poulsbo Finance Department.



Approved Use

The City of Poulsbo Costco Wholesale Membership and Credit Cards are to be used for pre-approved city purchases only.

Payment of Bills

The monthly billing statement will be received by the Finance Department Accounts Payable Technician via US Mail. The statement is for all city charges that were incurred for the month previous. The city will not pay off of this statement; we will only pay off of the individual receipts as detailed below.

When a department uses the Costco Credit Card, they must return a detailed receipt to their Department Contact within 24hours of the purchase being made. The Department Contact will then prepare a claim form using appropriate account coding with the vendor being Costco. Once this claim form is completed, along with the receipt detail backup attached, it is to be entered into an Accounts Payable batch for payment.

Card Security

These cards must be protected and secured just as any other credit card would be. When they are not checked-out, they are locked in a secure location within the Finance Department. When they are checked-out, it becomes the responsibility of the employee to keep them secure and to return them back to the Finance Department as agreed.