

Credit Card Policy and Employee Signature Form

The City of Grand Haven has issued a credit card to certain employees to facilitate the proper accounting and payment of certain limited expenditures subject to the following conditions:

1. The card is issued for City purchases only.
2. The card may be used only for products and services as allowed by City Administration, as amended from time to time.
3. The card may only be used up to a maximum purchase amount as defined below.
4. The card may only be used up to a maximum frequency (velocity of purchases) as determined by City Administration from time to time.
5. Use of this card for appropriate City purchases will not cause employee liability for the purchases, assuming all conditions above and/or as elsewhere defined are met.
6. Use of the card must always be consistent with the City's purchasing policy.
7. Costs below \$1,500.00 must be approved by the Department Director using a pre approval form as recommended by the City Finance Director.
8. Costs of \$1,500.00 or more may not be paid for by card except by direction of the City Manager or Finance Director. The purchasing policy states that costs from \$1,500.00 to \$4,999.99 must be purchased through a PO signed by the City Manager. Purchases above \$5,000 require City Council approval – see attached Purchasing ordinance for reference.
9. The Finance Department may pay for certain City purchases through a charge card upon prior approval of the City Manager (Accounts Payable).
10. Use of the card is subject to all purchasing, travel and lodging, finance, personnel and administrative policies, as amended.
11. Original receipts and paper documentation related to the use of the card must be approved by the Department Head and submitted to the Finance Office within 10 days of purchase.

I, _____, the Undersigned Employee, agree to utilize the credit card presented to me under the conditions listed above. If used within these constraints, I understand that I am not personally liable for the charges made to the card. If used outside of these constraints, up to and including fraudulent use, I understand that I may be personally liable for all questioned transactions.

Employee

____/____/____
Date

Card number _____

Purchasing Ordinance Update Effective October 8, 2018



City Council approved the ordinance amendment on first reading
on September 4, 2018.

City Council approved the ordinance amendment on second reading
on September 17, 2018.

The ordinance goes into effect 20 days after approval (October 8, 2018)
or one day after publication in the local newspaper (whichever is later).

City Council approved the local vendor preference resolution
on October 1, 2018.

Changes in Purchasing Limits (single item cost)

	<u>Former Limit</u>	<u>New limit</u>
(From updated ordinance)		
Purchase order is required over ¹	\$1,000	\$1,500
Three quotes are required over ²	\$1,000	\$5,000
Three competitive bids are required over ³	\$5,000	\$15,000
Emergency purchases are allowed up to ^{4,5}	\$20,000	\$50,000
Petty cash purchases are allowed up to ⁶	\$100	\$100
Credit card purchases allowed up to	\$1,000	\$1,500
(From new City Council resolution)		
Local vendor variance from non-local quotes	3%	4%

All purchases – A variance in form or substance from normal procedure may be allowed upon City Council approval. Invoices must be submitted to accountspayable@grandhaven.org and will not be paid without complete & proper documentation. Only Finance staff can promise a vendor payment by a given date.

1. POs must be entered and approved in BS&A PO accounting system before invoices totaling over \$1,500 will be paid.
2. Quotes below \$5,000 may be taken over the phone or informally documented (file or email).
3. Competitive bids must be solicited through a request for proposal, formally submitted in writing and may require a published notice with a deadline for submission. The public notice may be placed in the local newspaper, trade magazines, City website or by direct solicitation of prequalified vendors. Single source purchases must be justified in advance in writing and approved by City Council.
4. Emergency purchases must be based on a valid emergency, based on public need, not merely a late or delayed request.
5. Before emergency purchases are authorized to proceed, documented prior approval of the City Manager, Public Safety Director, Public Works Director & Finance Director is required - an email chain is appropriate - and City Council approval as timely as possible.
6. Reimbursements for up to \$100.00 in personnel travel & training costs are allowed. All proper documentation must be attached for reimbursement with petty cash.

This replaces all former City purchasing policies, effective October 8, 2018.