



# **CITY OF DAYTONA BEACH**

## **PURCHASING CARD TRAINING**

The City of Daytona Beach Purchasing Card Program is designed to improve efficiency in processing low dollar purchases from any vendor that accepts the Visa credit card.

Each purchasing card is issued to a named individual and The City of Daytona Beach is clearly shown on the card as the Governmental buyer of goods and services.

### **Questions or concerns should be directed to:**

<b>Procurement related:</b>	<b>Abigail Brock</b>	<b>386-671-8082</b>
<b>After Hours related:</b>		<b>386-793-1318</b>
<b>Finance/Accounting</b>		<b>386-671-8060</b>

### **A. PURPOSE**

1. Provide an efficient method of purchasing and paying for goods and services not exceeding \$3,000.00 per purchase.
2. Reduce the use of Purchase Orders, thereby reducing the administrative costs for the procurement and payment process on small dollar items.
3. Reduce time spent by the Finance Department staff processing low dollar transactions.

### **B. STAFF RESPONSIBILITIES**

1. **Cardholder**
  - Hold and secure purchasing card.
  - Order and pick up materials and services.
  - Receive and inspect all materials ordered and services.
  - Collect sales receipts and forward them to the Supervisor for approval.
  - Review daily charges with Department/Division Manager/Supervisor, as needed.
2. **Department/Division Manager or Supervisor**
  - Request Purchasing cards for designated employees using Request for Purchasing Card form.
  - Set spending limits for each card, within established guidelines.
  - Review, sign, and initial purchase sales receipts.
  - Appoint a Department/Division Purchasing Card Representative.



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### **3. Department/Division Account Clerk**

- Review department/division cardholders' transactions on the Truist on-line Enterprise Spent Platform (ESP) application.
- Confirm that all charges are authorized (initialed) by Department/Division Manager/Supervisor.
- Verify the appropriateness of account numbers or work orders charged, and code transactions in ESP system as required by the Finance Department.
- Handle disputed items not resolved by cardholder.
- Forward original invoices to the Finance Department.
- Maintain a copy of all supporting receipts.
- Forward approved receipts to Department Accounts Payable clerk.
- Perform regular inspection of card possession by cardholders.
- Collect cards from terminated employees and notify P-Card Administrator.
- Evaluate the need to cancel or reissue cards when employees transfer.

### **4. Internal Auditor (P-Card Program Administrator)**

- Conduct periodic operational and compliance audits.
- Notifies Cardholders' supervisor of violations.

## **C. CARDHOLDER USE OF PURCHASING CARD**

### **1. CARDHOLDER USE ONLY**

- a. The purchasing card may be used only by the employee whose name is embossed on the card. No other person is authorized to use the card. The cardholder is responsible and accountable for all transactions that occur on his/her card.
- b. Upon receipt of the Purchasing Card, the cardholder should sign the back of the card immediately. The merchant does not have to accept the card if there is no signature on the back.

### **2. LOST OR STOLEN PURCHASING CARDS**

- a. **If a purchasing card is lost, stolen or misplaced, the cardholder must immediately notify the Purchasing Card Administrator, via telephone at 386-671-8082 (after hours use cell phone number on first page), Truist Fraud Department at 1-844-487-8478, and follow up with written documentation of the loss to the Purchasing Card Administrator.**
- b. The cardholder will be responsible for reporting all information necessary to reduce the liability to the City for a lost or stolen card.

### **3. CITY PURCHASES ONLY**

- *The purchasing card is to be used for City authorized purchases only. The purchasing card cannot be used for any personal use and any such use will*



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require immediate reimbursement and will result in disciplinary action up to termination. The card is embossed with CITY OF DAYTONA BEACH beneath the card holders name to easily identify it as property of the City.

**\*If the City card is accidentally used for a personal purchase, notify your supervisor as soon as possible; within one (1) business day.**

#### **4. SPENDING LIMITS**

- a. The Department/Division Manager or Supervisor approving the assignment of a purchasing card will set two limits for each cardholder: a Single Transaction Limit (STL) and 30-day Credit Limit.
- b. Requests for spending limit changes shall be initiated by a memo to the Purchasing Card Administrator by the Department Manager or Supervisor.
- c. A purchase may be made of multiple items, but the invoice cannot exceed the cardholders Single Transaction Limit. Purchases over \$3,000.00 must be made by Purchase Order under the City Purchasing Policies and Procedures. **Charges for purchases shall not be split to stay within the single purchase limit. Splitting charges will be considered abuse of the purchasing card program and may result in revocation of Purchasing card privileges.**

#### **5. PROHIBITED USES OF PURCHASING CARD**

The following types of items may not be purchased with a purchasing card, regardless of the dollar amount.

- Gasoline, fuel, or oil.
- Vehicle repairs; (except when made by Fleet Management staff or with Fleet Management's specific authority for the repair)
- Car Rental Agencies (without an exception)
- Cash advances.
- Telephone charges.
- Any items or services available on a City price agreement contract (use of the Purchasing Card may negate the City discounts);
- Membership Clubs (ie. Sam's or BJ's)
- Printers, copiers, computers and ANY software, digital cameras, digital camcorders, and scanners *with specific exceptions for IT staff cardholders.*
- Telephones, cell phones, and pagers.
- Any additional goods or services specifically restricted by the Department or Division.
- Any items that are regularly/planned purchases (office supplies, business cards, etc).



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### **D. MAKING AND PAYING FOR PURCHASES**

#### **1. DOCUMENTATION OF OVER-THE-COUNTER PURCHASES**

- a. The cardholder must first confirm that the vendor will accept the Card. Remind the vendor, **the City does not pay Sales Tax.**
  - **The Tax Exemption number is printed on the face of the card and you will be provided with a copy of the City's Tax Exemption Certificate.**
- b. All sales slips will be retained by the Department/Division Accounts Payable Clerk.
- c. All over the counter purchases will require the cardholder to obtain an **itemized** copy of the sale slip/receipt.
- d. Food Purchases - Receipts for food must include the name of the event for which the food is being purchased. This helps ensure that the expense is properly categorized and tied to a specific event.
- e. Clothing Items: Receipts for clothing purchases must list the names of the employees receiving the clothing.

#### **2. TELEPHONE ORDERS**

Then placing a telephone order, the cardholder must confirm that the vendor will accept the charge to the purchasing card and *remind the vendor that the City does not pay sales tax.* When shipment is made, receipt of the supplies will be certified on the cardholder's transactions screen in ESP. Cardholder will advise vendor that charge can only be made *when the item is shipped.* In the case of partial shipment, backordered items may only be charged *when the backordered item is shipped.*

The City's billing address and phone number is:  
**PO Box 2451**  
**Daytona Beach, FL 32115**  
**Phone: 386-671-8080**

#### **3. IF YOUR CARD IS DECLINED**

If a card is declined, only have the cashier run the card twice. Any more may cause Truist to consider the charge as fraud and lock the card from future purchases. Contact the P-Card Administrator listed at the beginning of this Policy to investigate why the card is being declined.

- There are primarily two reasons. Either the STL or monthly credit limit has been exceeded or the Merchant Category Code used by the merchant's credit card machine isn't within the cardholder's profile.
- To be granted an exception, the cardholder's Division Manager or Department Director must send an email to [BrockAbigail@DaytonaBeach.gov](mailto:BrockAbigail@DaytonaBeach.gov) or [Purchasing@DaytonaBeach.gov](mailto:Purchasing@DaytonaBeach.gov) to give permission to allow the cardholder to make the purchase. A record of these exceptions will be kept on file for audit purposes.



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### **4. SALES TAX**

The City is exempt from paying the State of Florida (and generally all other States) sales and or use tax, even when the purchase is made with the Purchasing Card. If the vendor charges sales tax, the card holder must contact the vendor and obtain a credit equal to the amount of the sales tax. This also applies to out-of-state purchases.

### **5. MISSING DOCUMENTATION**

Contact the vendor to see if they can duplicate the receipt. If for some reason the cardholder does not have documentation of the transaction to send with the statement to his/her Supervisor, the Supervisor must attach a description of the purchase, and sign to indicate approval of the purchase. Continued incidents of missing documentation may result in the cancellation of the employee's purchasing card.

## **E. DISPUTES**

1. If items purchased with the purchasing card are defective, the cardholder must return the item(s) to the vendor for replacement or credit. If the service paid for with a purchasing card is faulty, the vendor must be notified and asked to correct the situation or provide a credit. If the vendor refuses to replace or correct the faulty item or service, the purchase will be disputed. If the quantity of items received is less than the invoice and billing charge, the transaction must be disputed if the vendor has been contacted and is unwilling to provide a refund or a credit.
2. If a vendor charges the cardholder Sales Tax on the purchase, and the cardholder is unable to obtain a credit for the tax by contacting the vendor, this credit must be pursued through the dispute process.
3. Disputed charges must be explained in an email to the Purchasing Card Administrator before the transaction is coded in ESP.
4. It is essential that the time frames and documentation requirements established by the purchasing card issuer be followed to protect the cardholder's rights in dispute.

## **F. DISPUTE PROCEDURES**

**A dispute** occurs when a cardholder questions a transaction that has been charged to his/her account. Disputes must be filed within 60 days of the statement/billing date of which the error first occurred.

The following steps must be taken to ensure prompt settlement:



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### **Fraud Dispute**

**If you have experienced fraud on the card, please ensure that you have reported the fraud and requested that the card be blocked for fraud.**

- **Contact Truist Immediately – 844-487-8478 or 866-495-5411**
- Please have the 16-digit card number and cardholder's name. If you do not have the full account number, please have the last 4 digits of the card account number.
- Provide the card account and cardholder information to the Fraud Associate.
- Fraud claim will be created.
- Within 7 – 10 days, the cardholder will receive an Affidavit
  - o Please complete the claim affidavit and submit to the Fraud team via email to [CMLDisputes@Truist.com](mailto:CMLDisputes@Truist.com). **\*\*Be sure to copy Purchasing at [purchasing@daytonabeach.gov](mailto:purchasing@daytonabeach.gov).**\*\*

### **Merchant Dispute**

**These are disputes against the merchant. (duplicate charges, product/services not received, product damaged upon receipt, etc.) This does not include unauthorized/unrecognized transactions. For unauthorized charges, refer to the Fraud Dispute information above. For unrecognized charges, contact the merchant directly.**

***If you do not recognize a charge, the merchant cannot assist, and no ticket copies are available, refer to the steps above to initiate a fraud claim.***

**Please provide:**

- Cardholder name
- Last 4 digits of card number
- Dates, merchants, and amounts of disputed charges
- Date merchant was contacted regarding disputed item
- Merchant's response
- All supporting documentation (copies of receipts, contracts, emails, etc.)

Requests will be addressed within 3 business days.

**All disputed items should be coded in ESP and paid as if they are legitimate purchases. Corrections will be adjusted, and credits will appear on future statements. At that time, they will be coded to the same account as the original item. A copy of the sales receipt disputed item must be provided to the Department Account Clerk, copy of the receipt sent to Finance, and a copy retained for follow-up by the cardholder Department Account Clerk to ensure proper credit is received when the dispute is resolved. A copy of all dispute correspondence, dispute form, invoice, and account statement will also be sent to the Purchasing Department.**



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### G. TRAVEL ON P-CARD

1. Use of the P-Card for travel may be authorized by approval of a Travel Voucher that clearly indicates which expenses will be charged to the P-Card and which will be pre-paid and/or reimbursed.
2. Upon approval of a Travel Voucher, the cardholder may use the card for the following purchases:
  - a. Registration
  - b. Airfare/Baggage Fees
  - c. Hotel
  - d. Parking
  - e. Shuttles/Taxis
  - f. Car Rental (from select vendors)
  - g. Fuel
3. A copy of the approved travel voucher shall be provided to the P-Card Administrator in advance of the planned travel to allow the Administrator to provide temporary authorization of travel charges. This authorization will expire upon the conclusion of travel.
4. A copy of the approved travel voucher must accompany P-Card receipts submitted by the traveler.
5. The Conference/Event schedule must be attached to the Travel Voucher and must indicate any meals that are included in the registration fee. The City will not pay for any meal when that meal is offered as part of the registration fee. **The P-Card may not be used for payment of meals.**
6. Upon return, the traveler shall submit the completed Travel Voucher with all travel receipts, including copies of P-Card receipts, to the Finance Department Office Specialist, indicating actual costs where estimates were used.
7. Original travel receipts shall be attached to the cardholder's statement, along with a copy of the completed Travel Voucher.
8. **All** P-Card statements that include travel expenses will be reviewed by the P-Card Administrator.
9. EMERGENCY TRAVEL
  - a. When public safety officers (Fire and Police) are deployed for an emergency outside Volusia County, the P-Card may be used for expenses incurred in the performance of the deployment.
  - b. These costs include but are not limited to:
    - i. Hotels
    - ii. Meals
    - iii. Fuel
    - iv. Vehicle Repairs



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- c. A public safety officer who is a cardholder shall accompany the travelers. Additional cards to be used exclusively for travel may be ordered, activated, and secured for use only when traveling to ensure there is a cardholder among the emergency responders.