

## **Purchasing Card Policy**

### **A. Overview**

The Georgia General Assembly established guidelines and penalties into the Official Code of Georgia Annotated ("O.C.G.A.") which provides that no municipal corporation shall issue government purchasing cards or government credit cards to elected officials on or after January 1, 2016, until the governing authority of the municipal corporation, by public vote, has authorized the issuance and has promulgated specific policies regarding the use of such government purchasing cards or government credit cards for elected officials of such municipal corporation.

### **B. Purpose**

The purpose of this policy is to set requirements and standards for the City of McIntyre Purchasing Card Program. The policy is not intended to replace current State of Georgia statutes but is intended to comply with such state laws and establish more efficient guidelines for elected officials using such purchasing cards. At no time should a city issued purchasing card or credit card be used for personal purchases regardless of the circumstances. Utilizing the purchasing card or credit card for personal use or for any item or service not directly related to such official's public duty may result in disciplinary action including, but not limited to, felony criminal prosecution. All purchases utilizing a government purchasing card or government credit card must be in accordance with these guidelines and with state law.

### **C. Scope**

This purchasing card policy, as required by state law under O.C.G.A. § 36-80-24(c), applies to the use of government purchasing cards or government credit cards used by elected officials authorized to be issued such government purchasing cards or government credit cards. The below list of officials have been authorized by the governing authority of the city to use such government purchasing cards or government credit cards and must abide by all of the applicable state laws and this purchasing card policy.

1. Mayor
2. City Council

### **D. Public Inspection**

In accordance with O.C.G.A. § 36-80-24(b) any documents related to purchases using government purchasing cards or government credit cards incurred by elected officials shall be available for public inspection.

**E. Transaction Limits**

Transaction limits are hereby established to insure compliance with state purchasing laws, maintain proper budgetary controls, and to minimize excessive use of any individual credit line. Individual monthly card limits cannot exceed those established by the municipal governing authority. The established single transaction limit for each card must be less than \$500.00. The established monthly card limit is based upon the city's budgetary constraints and is not to exceed \$2,500.00 per month. Any exceptions to the standardized limits must have express written approval by the municipal governing authority and must be added to this policy by amendment or addendum.

**F. Purchasing Restrictions**

1. Elected Officials may not use a government purchasing card or government credit card for the following:
  - a. Any purchases of items for personal use.
  - b. Cash refunds or advances.
  - c. Any transaction amount greater than the transaction limits set for by this policy.
  - d. Items specifically restricted by this policy, unless a special exemption is granted by the municipal governing authority.
  - e. Alcohol or liquor of any kind. Such purchases should not be made with the purchasing card and may not be reimbursed by the city.
  - f. Purchases or transactions made with the intent to circumvent the city purchasing policy, transactional limits, or state law.
2. Elected Officials may use government purchasing cards or government credit cards to purchase goods and/or services not prohibited by this policy or state law. Such purchases include, but are not limited to:
  - a. Purchases of items for official city use which fall within the transactional restrictions of this policy.
  - b. Purchase of lodging, fuel, food, non-alcoholic beverages, or education and training materials while on city business.
  - c. Emergency purchases necessary to protect city property.

## **G. Administrator**

The city designates the office of City Clerk, as the program administrator of government purchasing cards or government credit cards. Such administrator shall:

1. Serve as a liaison between the city's cardholders and the issuers of such cards.
2. Maintain the cardholder agreement for all cardholders.
3. Provide instruction, training, and assistance to cardholders
4. Maintain account information and secure all cardholder information.
5. Keep cardholders up-to-date on new or changing information
6. Upon receipt of information indicating fraudulent use or lost/stolen cards immediately report it to appropriate parties, including the issuer.
7. Ensure all card accounts are being utilized properly as set forth by state law and this policy.
8. Define the city's policy and procedures for proper documentation and storage of receipts, logs, and approvals required under this policy.
9. Identify any changes to named persons authorized to use a government purchasing card or government credit card.
10. Any other duties assigned by the municipal governing authority.

## **H. Accounting and Auditing**

The Administrator, in an effort to ensure compliance with city policy and state law, will conduct monthly reviews and audits of all government purchasing card or government credit card transactions. The review is designed to ensure compliance, identify non-compliance issues and misuse, and through corrective measures assist the city with improving compliance. The monthly review and audit should happen within fifteen days of the start of a new month. After completing the monthly audit the Administrator shall notify cardholders of any violations or questions the Administrator has that occurred within that previous month. Depending on the severity of the violation, the Administrator may suspend or revoke the use of the government purchasing card or government credit card after notification to the cardholder and to the municipal governing authority, but only after consultation with the city attorney. Any unresolved violations should be reported to the municipal governing authority and the city attorney in writing within five business days.



**I. Violations**

The use of a government purchasing card or government credit card may be suspended or revoked when the Administrator, after consultation with the city attorney, determines that the cardholder has violated the approved policies or state law regarding the use of the government purchasing card or government credit card. The government purchasing card or government credit card shall be revoked whenever a cardholder is removed from office with the city and shall be suspended if such elected official has been suspended from office.

**J. Agreement**

Before being issued a government purchasing card or government credit card under this policy and state law, all authorized users of government purchasing cards or government credit cards shall sign and accept below indicating that such user will use such cards only in accordance with the policies of the city and with the requirements of state law.

Vicki L. Horn

Name Printed

\_\_\_\_\_  
Signature

Date: 3/21/16

SO ORDAINED and adopted this the 21<sup>st</sup> day of March, 2016.

[Signature]  
MAYOR

[Signature]  
CITY CLERK