

CITY OF WINDSOR PURCHASING CARD PROGRAM POLICIES & PROCEDURES

I. PURPOSE:

To establish the City of Windsor procedures for the Visa Purchasing Card

The Visa Purchasing Card is designed to streamline the City of Windsor's purchasing system for small dollar purchases (under \$1200.00), but in no way supercede **Purchasing Policies and Procedures By-Law No. 93-2012** to better support the organization's operating needs, without eroding good business practices, or circumventing internal controls. Therefore, all cards are issued through, and with the concurrence of, the designated Visa Purchasing Card Program Administrator in the Purchasing Division. A card may be revoked at any time, for any reason, by the Departmental Coordinators or the Program Administrator.

Only those individuals who are specifically authorized by the coordinator in their own department, may participate in this program. No one other than the cardholder (ie., the individual) is authorized to use the card. Employees must be of permanent full-time employment status to obtain a VISA Purchasing Card. Students or Seasonal employees will not be granted a card.

II. LIMITATIONS:

- a.** Transactions must be \$1,200.00 or less **excluding taxes**. Larger purchases **must not** be broken into smaller purchases (i.e. parceling, order-splitting, or combining with SPO's) in order to meet the transaction limit. **Violation of any procedure will result in the forfeiture of your purchasing card privileges.**
- b.** The Visa Purchasing Card is user-specific; no one shall attempt to purchase an item using a card issued to another person. Delegation of authority is not permitted in making transactions.
- c.** The Procurement Card may not be used for the following transactions:
 - Cash Advances
 - Prepaid Gift Cards, Prepaid Gift Certificates, Prepaid Grocery Cards, or any other Prepaid Merchant Cards
 - Items which are stocked in City of Windsor inventory stores
 - Items under Contract Order or Blanket Order
 - Non-business purchases (personal items)
 - Fuel (City vehicles to refill at Crawford Yard, unless otherwise authorized)
- d.** Purchasing cards are restricted for use **WITH CANADIAN VENDORS ONLY**. **Any USA or other foreign currency purchase requires prior notification and approval from Purchasing.**
- e.** Cardholders are not to use City of Windsor Purchasing Card after embossed expiry date.
- f.** Cardholders are not to return products after 90-days for refunds in the form of Gift Cards or other prepaid cards.
- g.** The Visa Purchasing Card must not be used for expenses normally claimed on business and travel expense vouchers. e.g. **travel, hotels, airlines, meals, transportation, and registrations etc.**
- h.** The cardholders are not personally responsible for payment of charges made on behalf of the Corporation of the City of Windsor that are in accordance with corporate policies and procedures.

III. RESPONSIBILITIES:

a. CARDHOLDERS:

1. Compliance and having a thorough working knowledge of all applicable policies and procedures, and guidelines.
2. Maintaining security and control of the procurement card (and the Procurement Card Account Number) issued to them.
3. Immediately notify the issuing Bank if the card is lost or stolen. The cardholder must also notify their Supervisor and the Program Administrator during business hours. See guidelines for phone and fax numbers.
4. Immediately reporting to the Supervisor and the Departmental Coordinator, any mistakes, misuse, or other unintentional charges to enable corrective action.
5. Obtain from the supplier a credit card slip and a receipt for all items purchased, delivered or picked up. All receipts must have detailed information as to location, description, quantity and pricing, and must be forwarded to the user department's administrative area on a daily basis for logging and CHARTFIELD assignment.
6. Return VISA P-Card to Supervisor upon termination of employment, retirement, or upon loss of authorized use.

b. MANAGEMENT:

1. Ensuring compliance with policies and procedures within their respective departments/divisions designed to protect the organizations assets.
2. **NOTIFYING THE DEPARTMENTAL COORDINATOR IMMEDIATELY OF THE RECOMMENDED ACTION TO BE TAKEN WITH RESPECT TO REPORTED MISUSE OF THE PURCHASING CARD BY AN EMPLOYEE IN CONJUNCTION WITH THE PROCEDURES AS SET FORTH IN THE EMPLOYEE ACKNOWLEDGEMENT.**
3. Approving and forwarding Procurement Card applications to the Program Administrator.
4. Reconciling and approving procurement card transactions. All procurement card transactions shall be approved by the next higher authority.
5. Ensuring that all purchases are legitimate, and that the required receipt and supporting documentation is on file.
6. Ensuring that the Visa summary with CHARTFIELD is entered into PEOPLESOFT on a timely basis.
7. Retention of credit card slips, receipts and summary documents, such as Visa summaries, purchase activity reports, and statements.
8. To collect the Visa Purchasing Card from employees who have retired or been terminated, or who will no longer be authorized to use the card, and to advise the Program Administrator and return the card to the Program Administrator at Purchasing.

c. PURCHASING DIVISION:

1. Monitoring and administrating the City of Windsor Procurement Card Program including assisting in resolution of problems.
2. Processing and obtaining procurement cards for authorized personnel.

3. Maintaining records of all procurement cards and activity. This shall include all coordination activities with Scotiabank; managing and maintaining the electronic records of all credit card transactions; and coordinating changes, updates, reports, and other activity of the credit card program software and The Corporation internal data base.
4. Reviewing individual transactions, departmental activities, and company wide charges for compliance to policies and procedures; using report available through credit card program software to maximize discounts, preferred vendor relationships, and contract opportunities.

d. ACCOUNTING DIVISION:

1. Verifying Visa Summaries from all departments.
2. Submission of payments to Scotiabank within the required contractual obligation period.
3. Conducting follow-up procedures with any supervisor delinquent in approving transactions.

IV. APPLICATION PROCEDURE:

- a. The applicant requesting the card must submit a completed application form showing proper approval from the applicant respective cost centre supervisor. Both must sign and date the form, and forward it to the Program Administrator in the Purchasing Division.
- b. The purchasing division approves and processes all requests for Purchasing Cards, and retains a record on file. All issued cards must be picked up from the Program Administrator and must be signed on the back upon receipt. The cardholder is also required to sign an acknowledgment letter, stating the Visa card was received and that the policies and procedures are understood and will be adhered to.

V. PROCEDURES

a. GENERAL

1. Treat your Visa Purchasing Card like you would your own credit card.
2. The Purchasing Card Program Administrator is Scott Fraser, Sr. Buyer, at (519) 255-6100 Ext. 6413, and the Alternate Purchasing Card Program Administrator is Jennifer Musson, Sr. Buyer, at (519) 255-6100 Ext. 6146.
3. **NO ONE ELSE EXCEPT YOU IS TO USE YOUR PURCHASING CARD.** Keep it safe and secure. If the need arises for other individuals to use a card on a regular basis, contact your Departmental Coordinator.

b. HOW TO BUY WITH YOUR PURCHASING CARD:

1. Go to/call supplier & indicate you will be using Visa Purchasing Card to pay (if supplier does not accept Visa, make note and refer to your Purchasing Card Co-Ordinator).
2. Choose item(s) at the agreed upon price.
3. Give Visa number and Expiration Date to supplier for authorization, and sign receipt where applicable.
4. Once authorized, ensure that the credit card slip and a **receipt is sent with your order.**
5. Confirm your order by facsimile, if necessary. The order **must** be shipped directly to you.
6. CARDHOLDER'S DIVISION SIGNS RECEIPT FOR PAYMENT APPROVAL, WRITES THE CHARTFIELD ON RECEIPT AND FORWARDS TO ADMINISTRATIVE AREA WITHIN USER DEPARTMENT.
7. Cardholder's division enters necessary information in the fleet management system, if applicable.

b. HOW TO BUY WITH YOUR PURCHASING CARD (con't):

8. Administrative staff enters purchase information into spreadsheet under cardholder's name and number, creating a purchase activity report.
9. The above procedure continues on a daily basis until month end.
10. Ensure that Vendor does not keep your VISA card number on file for use at a later date. Visa number must be given each time a purchase is made with your card.

c. TO DO MONTHLY:

1. Purchasing receives a Visa Summary/Detail Report from Scotiabank.
2. Purchasing determines the monthly totals for each of the departments.
3. Purchasing notifies each department what their total is for the month and ensures that the totals match.
4. Visa Coordinator for each user department reconciles their Visa receipts to a monthly total and must resolve all discrepancies. All documents and supporting documents are forwarded to Supervisors for review and approval.
5. Purchasing e-mails monthly totals to Accounting, Legal and Administration.
6. Purchasing puts all monthly totals onto Form 50/PAP Accounts Payable Voucher and forwards to Administration for processing.
7. Once Administration has entered the voucher in Peoplesoft, the voucher is approved by Manager of Purchasing and Risk Management and City Solicitor before being forwarded to Corporate Accounts Payable for verification.
8. A separate control group will be created regarding Scotia Visa payment and will be clearly marked PAP.
9. Accounts Payable processes the voucher and a remittance advice is printed. Remittance advice bearing the signatures of approved City of Windsor bank account signing authorities is forwarded to the Accounting Clerk, Financial Accounting.
10. Payments made under this procedure will be reconciled through the City's Pre-Authorized Payment Plan account bank reconciliation in the month following the month of the transaction.

d. AUTHORIZATION PROBLEMS / CARD DECLINED:

1. Cardholder is to call the 1-800-# on the back of your card. (direct line to Visa Operations), and obtain the reason for decline and the corresponding MCC# associated with the decline.
2. Call the Program Administrator immediately and advise reason for decline and discuss next step; let them know the **DATE** of blocked transaction, the **NAME** of the retailer, the **\$AMOUNT**, and the MCC#.
3. Purchasing Card Program Administrator will determine whether the MCC# will be changed or not.

e. DISPUTE RESOLUTION:

1. If supplier related issues (shipment delays, errors, product quality) Cardholder and/or Department Coordinator must resolve this problem with the supplier directly.
2. Non-supplier related issues (unknown charge on Statement) should be referred to department VISA Coordinator.
3. Call the **1-800 number** on back of your card, and notify Program Administrator in writing of any disputes.

f. LOST OR STOLEN CARDS:

1. Call 1-800-number on back of your card, and call the Program Administrator immediately. Your card will be cancelled and a new card will be issued and sent to the Program Administrator. The Program Administrator will notify you when your replacement card is available for pick-up and signature, at Purchasing.