



Personnel and Administrative Policy and Procedure

SUBJECT: COMMERCIAL CREDIT CARD USE	EFFECTIVE DATE: October 20, 2007 REVIEWED: May 2011 REVISED: December 2020
CATEGORY: 400 POLICY NUMBER: 400.1	CROSS REFERENCE: Commercial Card Program Policy and Procedures Manual

Purpose: To outline procedures for the use of city-issued commercial credit cards (“card”).

Scope: This policy applies to employees who are designated a card.

Policy: The City of Milwaukie issues cards through its banking relationship with Umpqua Bank. The cards are made available to selected employees through management and the Finance Department. The cards must be used in accordance with the Commercial Card Program Policy and Procedures manual and Cardholder Agreement. The cards may only be used for conducting city business. The card cannot be used by another person and must not be used for personal use. Card purchases are subject to all other city and department purchasing approval procedures.

Guidelines for Use: The cards are VISA credit cards that may only be used for city purposes. They are limited both in transaction amounts and merchant categories. Examples of merchant categories that are excluded are jewelry stores, amusement parks, liquor stores, sporting events and more.

The cards are intended to facilitate purchases that do not require formal purchasing procedures or signed contracts. Cardholders are encouraged to use the cards whenever possible and for routine purchases such as office supplies, travel and education expenses, membership dues and other departmental goods.

Procedures

1. Umpqua Bank commercial credit cards issued to individual employees with the employee’s name embossed on the card. Employees must sign a Cardholder Agreement, which acknowledges that the card will only be used for city purposes and that unauthorized use of the card could result in disciplinary actions up to and including termination.
2. The employee is responsible for providing receipts and other supporting documentation to their designate approver for all purchases made with the card by the 10th of the month for purchases made in the month prior.
3. Employees are responsible for providing descriptions, proper account coding, and acknowledgement of each transaction on their card through the Visa IntelliLink Spend Management reporting system prior to submitting the electronic statement and receipts to their designed approver. Non-documented purchases may become the responsibility of the employee.
4. Managers (or approvers) are responsible for approving assigned cardholder’s transactions and account coding and verification of receipts and other supporting documentation for all transactions through the Visa IntelliLink Spend Management reporting system prior to submitting

electronic statement and receipts to the Finance Department, which will be no later than the 15th of the month.

5. If a purchase is made and a receipt is lost or not available, the employee may submit a Missing Receipt Form with the same information that would be provided on a receipt, including merchant name, purchase date, description and total purchase amount.
6. Lost or stolen credit cards must be immediately reported to Umpqua Bank at 866.777.9013 **and** to the city's Commercial Card Program Administrators at 503.786.7523 or 503.786.7521.
7. Any unapproved purchases are the responsibility of the employee and must be repaid to the city within ten days of purchase. A receipt copy should accompany the repayment, when possible.

Responsibilities

All Cardholders:

- Safeguard and use Umpqua Bank commercial credit card only as provided for in the Commercial Card Program Policy and Procedures manual and Cardholder Agreement.
- Reconcile statements by the 10th of the month for transactions made in the prior month and submit to designated approver.
- Relinquish the card upon separation from the city.

Approvers:

- Review and approve statements of all those assigned following the cardholder reconciliation.
- Submit electronic statements to Finance Department by the 15th of the month.

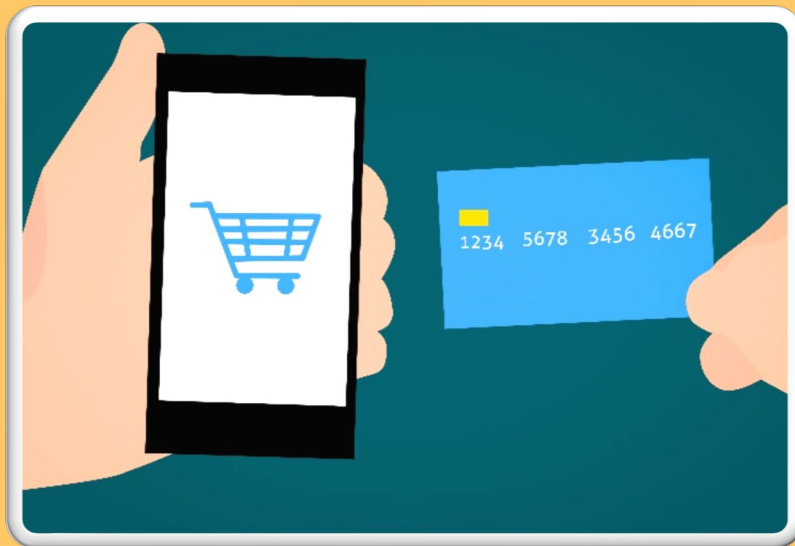
Finance:

- Monitor distribution and use of credit cards.
- Safeguard against fraud or theft of cards when in Finance's possession.
- Post transactions to the general ledger monthly.
- Assist cardholders and approvers as needed.



CITY OF MILWAUKIE

Commercial Card Program Policy and Procedures



Finance Department

Table of Contents

Introduction	3
General Guidelines	
Card Issuance	4
Card Usage	4
Limitations and Restrictions	4
Lost or Stolen Cards	5
Receipts.....	5
Authorized Purchases	6
Unauthorized Purchases	6
Expense Report Reconciliation & Approval	
Reconciling Expense Report	7
Approving Expense Report	7
Disputed Charges	7
Fraudulent Charges	8
Deadlines	8
Notifications	8
Conclusion	9
Reminders	10
Attachment A (Missing Receipt Form)	11
Attachment B (Cardholder Agreement)	12

INTRODUCTION

Welcome to the City of Milwaukie's Commercial Card Program! You have been issued a commercial credit card for use of purchasing goods and services for city business.

The commercial card is provided to you based on your need to purchase business-related goods and services. The card is not an entitlement nor reflective of title or position. Adherence to all program guidelines will ensure that you retain the privileges of a cardholder.

The purpose of the program is to streamline and simplify the purchase and payment process for city transactions. The goals of the program are to:

- Expediate purchases
- Streamline the card reconciliation process
- Reduce employee out-of-pocket expenses
- Decreases administrative purchasing costs

This manual provides the particulars of the program, including general guidelines, reconciliation, record-keeping procedures and customer service information. It is important to read the information carefully, as you will be responsible for following the policy and procedures.

Commercial cards are issued by the city through its banking relationship with Umpqua Bank. The city's Finance Department will work closely with Umpqua Bank to ensure a positive program experience.

Please forward any questions to the city's purchasing card program administrators:

Primary Contact:

Kelli Tucker
Accounting & Contracts Specialist
503.786.7523
tuckerk@milwaukieoregon.gov

Secondary Contact:

Judy Serio
Accountant
503.786.7521
serioj@milwaukieoregon.gov

Umpqua Bank's commercial credit card customer service is available 24/7 at 1.866.777.9013. For verification purposes, you will be asked to provide your date of birth and the last four digits of your social security number. Choose from the following menu prompts:

- Lost or stolen cards (press 1)
- To activate a new card (press 2)
- For all other commercial card requests and inquiries (press 0)

COMMERCIAL CARD PROGRAM POLICY AND PROCEDURES

A. GENERAL GUIDELINES

1. Card Issuance

As a cardholder, you will be asked to complete a Cardholder Agreement (Attachment B). By signing the agreement, you agree to adhere to the guidelines established in this manual. Most importantly, you agree to accept responsibility for all charges on the card. If you have any concerns with adhering to the guidelines established for this program, please contact the program administrator before signing the cardholder agreement.

The card cannot be used by another person and must not be used for personal use. Each card is linked to an individual employee so the card cannot be transferred to or used by another individual.

Although the card is issued in your name, your personal credit history is not affected by the ability to obtain a card. The city is responsible for payment to the bank of all purchases on the card. Finance Department will pay the total card purchase balance to Umpqua Bank each month – you are not responsible for any direct payment under the account.

2. Card Usage

The card can be used with any merchant that accepts Visa, except as the city may otherwise direct. It may be used for in-store purchases, as well as phone or online orders. The card has both chip and tap-and-go technologies for security and convenience.

3. Limitations and Restrictions

A credit limit has been assigned to your card. This includes a single transaction limit which means your card will be declined if you attempt to purchase more than the set amount at one time. **Do not split a purchase to avoid the single transaction limit.**

In addition to the single transaction limit, every card has a total monthly dollar limit assigned. The limits vary per cardholder, as they are set by management and finance and based on spending for the individual's needs.

The city's program also blocks certain merchant categories. If a particular merchant category is blocked (e.g., jewelry stores), and you attempt to use your card at such a merchant, your card will be declined. Finance has made an effort to ensure that merchants used during the normal course of business are not restricted.

IMPORTANT: All requests for changes in limitations and restrictions must be made through the program administrator and not directly with Umpqua Bank.

4. Lost or Stolen Cards

You are responsible for the security of your card and any purchases made on your account. If you have lost your card or believe that it has been stolen, immediately report this information to Umpqua Bank **AND** to your program administrator. It is extremely important to act promptly in the event of a lost or stolen card to avoid city liability for fraudulent transactions.

As with a personal credit card, you will no longer be able to use the card after notifying the bank. A new card will be issued and mailed within 3-5 business days. The program administrator will notify you when your new card is ready.

5. Receipts

It is a requirement of this program that detailed receipts are submitted for all transactions, as this is the only documentation to support the city's purchasing records. A receipt or order confirmation must be submitted for every transaction (charge or credit) with your monthly expense report.

Be sure to receive a detailed receipt for every purchase, including those for food. Receipts should always indicate the following five elements:

- Merchant's name
- Payment method (credit card)
- Purchase date
- Item(s) purchased
- Total purchase amount (including taxes, freight, etc.)

If a merchant does not provide a detailed receipt then you will need to ask for additional documentation to meet the five requirements above. At times, you may also need to request a receipt be provided prior to goods being shipped to ensure you have a receipt in hand for your expense report reconciliation.

If a receipt is lost, you should first attempt to contact the merchant and request a copy.

If a copy cannot be obtained, then you can complete a Missing Receipt Form if the transaction is \$50.00 or less (see Attachment A of this manual). The Missing Receipt Form takes the place of the missing receipt. It must be completed and signed by the cardholder and attached with the expense report when sent to the approver. This should not be a regular occurrence for any individual cardholder. The Missing Receipt Form can also be found as a fillable PDF on the intranet under Finance Forms-Contracts & Purchasing.

If the transaction exceeds \$50.00 and the merchant cannot provide you a copy of the receipt, then please contact the program administrator.

B. AUTHORIZED PURCHASES

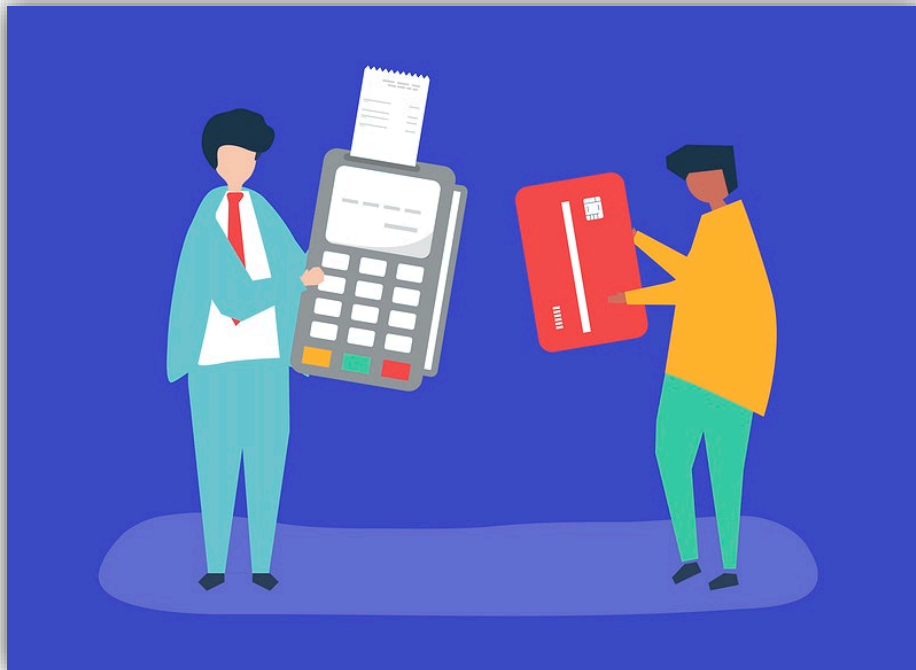
The program is intended for general operating expenses needed during the course of business. It is advantageous to the city to use the card where possible and to combine purchases into fewer, larger purchases. Examples of authorized purchases include:

- Office supplies
- Books
- Professional membership dues
- Travel and education
- Tools and parts
- Computer hardware and equipment
- Subscriptions and periodicals

C. UNAUTHORIZED PURCHASES

As with any city purchase, the card is not to be used for any goods or services, or with any merchant, considered to be inappropriate for public funds. Failure to comply with the guidelines for authorized purchases under the program may result in disciplinary action (up to and including termination) or suspension or cancellation of card privileges. Examples of unauthorized purchases include:

- Items for personal use
- Any transaction exceeding your single or monthly limit
- Cash withdrawals
- Alcohol, jewelry and other blocked categories



D. EXPENSE REPORT RECONCILIATION & APPROVAL

Transactions are reconciled through Umpqua Bank's online card reconciliation system, Visa IntelliLink Spend Management (IntelliLink). Cardholders must not download or use the mobile app as the city's card program is not currently designed for use through this application.

Upon receipt of email notice from the IntelliLink system around the first of the month, you are responsible for promptly reconciling monthly charges and providing purchase receipts for all transactions that appear on your expense report. Once the expense report is reconciled you will then submit the expense report (with receipts) to your approver in the time allowed.

1. Reconciling Expense Report

Cardholders will complete the following steps to reconcile their expense report:

- a. Sign in to IntelliLink.
- b. Create an expense report.
- c. Link transactions.
- d. Code transactions.
- e. Add comments.
- f. Print expense report to PDF and attach receipts.
- g. Submit PDF expense report to approver.
- h. Submit expense report electronically through IntelliLink.

2. Approving Expense Report

Upon submittal of the expense report by the cardholder, the approver will need to take necessary action to complete the process.

- a. Select Expense Report(s).
- b. Review and approve transactions.
- c. Sign expense report (digitally).
- d. Identify cardholders with transactions, if needed.

3. Disputed Charges

If there is a discrepancy on your expense report, it is imperative that the issue is addressed immediately. If you believe the merchant has charged you incorrectly or there is an outstanding quality or service issue, please contact the merchant and try to resolve the error or problem before requesting a dispute. If you are able to resolve the matter directly with the merchant, and the error involved an overcharge, a credit adjustment from the merchant should be requested and appear on your next monthly expense report.

If the merchant disagrees that an adjustment is necessary, immediately contact your program administrator who will work with Umpqua Bank to file a dispute. Within 5-7 business days of filing the program administrator will receive notice whether a credit has been applied to the account or not.

While the dispute is being researched, you will still reconcile and submit your expense report for approval as normal. You should note in the description field that it is being disputed.

Disputes must be filed within 60 days of the transaction date. Outside of this timeframe, you can attempt to dispute the transaction; however, there is no guarantee it will go in the city's favor. Most often, if the dispute is filed within the appropriate timeframe, a credit is provided.

4. Fraudulent Charges

Any fraudulent charge must be reported immediately to Umpqua Bank **AND** the program administrator. Prompt reporting of any such charge will help to prevent the city from being held responsible.

Umpqua Bank monitors card accounts 24/7 365 days a year and will notify cardholders by email of any suspicious transactions or fraud patterns. If contacted, you may need to verify up to five of the most current transactions on your card to determine which are valid or invalid. If you indicate any transactions are not valid, the card is permanently blocked, and a new card will be issued within 3-5 business days. If you acknowledge all transactions are valid the temporary block will be lifted and any attempted transactions that may have been declined will need to be processed again.

5. Deadlines

- a. Cardholder has until the 10th of the month to reconcile expense report and submit to approver. If there are no transactions, then there will be no expense report to reconcile.
- b. Approver has until the 15th of the month to review, request changes of cardholder and approve expense report of assigned cardholders before submitting to the Finance Department.
- c. Finance Department should receive all reconciled and approved expense reports no later than the 16th of the month to allow time to review and post to the general ledger by end of month.

TIP: Add a reminder to your Outlook calendar for reconciliation and/or approval deadlines.

6. Notifications

- a. IntelliLink will provide email notices as reminders to reconcile and approve transactions.
 - i. Cardholders will receive notice on 1st of the month as a reminder to reconcile transactions, if any occurred in the month prior.
 - ii. Approvers will receive notice when a cardholder submits a reconciled expense report.
 - iii. Approvers will also receive notice on the 11th of the month as a reminder to review and approve expense reports. If approver has not yet received all expense reports by this date then approver should follow up with cardholder to ensure expense report is submitted.
- b. Finance will begin reaching out to approvers for missing expense reports if not received by the 16th of the month. Approvers are responsible for providing expense report to the Finance Department and/or working with the cardholder to obtain the reconciled expense report timely.

E. CONCLUSION

Thank you for being an important part of the city's Commercial Card Program. Once your card is activated, you can begin to look for opportunities to increase purchasing efficiency and expand the program's activity.

REMINDERS

Key Program Factors

- Card is for business purchases only
- Card limits are assigned for each individual based on spending needs
- Card is issued to individual and should only be used by that employee
- Retain receipts for ALL transactions
- Reconcile and approve monthly expense reports timely
- Contact Program Administrator(s) with any questions
- Thank you for your participation in streamlining and simplifying city purchases!

Contacts and Program Info

- Program Administrators
 - Primary Contact: Kelli Tucker – 503.786.7523 – tuckerk@milwaukieoregon.gov
 - Secondary Contact: Judy Serio – 503.786.7521 – serioj@milwaukieoregon.gov
- Umpqua Bank Commercial Card Customer Service (24/7) – 1.866. 777.9013
- Missing Receipt Form found on intranet under Finance Forms – Contracts & Purchasing

ATTACHMENT A



COMMERCIAL CARD PROGRAM – MISSING RECEIPT FORM (TRANSACTIONS UNDER \$50.00)

In case of a missing receipt, complete this form by providing the information below and signing the form. Please submit this form with your monthly card expense report.

Cardholder Name: _____

Department: _____

Type of Transaction:

Education/Training Dues/Subscription Technology Software/Supplies

Office Supplies Fuel Travel Expense

Other (describe) _____

Reason for Missing Receipt:

Lost Receipt

Merchant Provided None

Other (describe) _____

Purchase Details:

Merchant Name: _____

Merchant Location: City _____ State _____

Purchase Description: _____

Reason for Purchase: _____

Total Purchase Amount: \$ _____

Purchase Date: _____

I certify these expenses were actual and reasonable and incurred for official city business. No portion of this claim was provided free of charge, previously reimbursed from any other source, or will be paid from any other resource in the future. Should any portion of this purchase be found non-compliant with the city's Commercial Card Program, I will reimburse the city within ten (10) days of being notified.

Cardholder Signature _____ Date _____

ATTACHMENT B



COMMERCIAL CARD PROGRAM – CARDHOLDER AGREEMENT

This agreement covers acceptable use of your City of Milwaukie commercial credit card, issued by the Finance Department and Umpqua Bank. The card is provided to expedite payment for materials, travel and other purchases for the city. Use of the card is a convenience contingent upon the terms outlined below and within the Policy and Procedures manual. Card use can be revoked at any time without your permission.

1. I will be making financial commitments on behalf of the city and will strive to obtain the best value for the city.
2. Improper use of the card can be considered a misappropriation of city funds and may result in disciplinary action, up to and including termination of the card or employment.
3. The card is for business purchases only; personal purchases are not to be made with the card.
4. All charges are billed directly to and paid directly by the city. Any personal charges on the card may be considered misappropriation of city funds since the cardholder cannot pay the bank directly. I will reimburse the city for all incurred personal charges and any fees related to the collection of those charges within ten (10) calendar days from the date of purchase.
5. I am the only person entitled to use the card and am responsible for any and all charges against the card.
6. The commercial card is property of the city. I understand that I may be periodically required to comply with internal control procedures designed to protect city assets. This may include being asked to produce the card to validate its existence and account number.
7. A lost or stolen card will immediately be reported to Umpqua Bank (866.777.9013) **and** the program administrator.
8. I am responsible for reconciling my monthly expense report and resolve any discrepancies by contacting the merchant or program administrator. I will attach detailed receipts for each transaction and provide the expense report and receipts to my designated approver timely.
9. I must surrender the commercial card immediately upon termination of employment, whether for retirement, voluntary or involuntary reasons. At this point, no further use of the card is authorized.
10. I agree to the terms of the city's acceptable card usage terms.

By signing below, you indicate that you have read and will comply with all of the terms of this agreement and the city's Commercial Card Program Policy and Procedures.

Employee Name (Print)

Employee Signature

Date