

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 12/10/2007		Item Number: <u>A-8</u>	
AGENDA ITEM: Adoption of a Resolution Amending City Council Policy Statement No. 4209 Entitled "Purchasing (Credit) Cards," to Enhance the Guidelines and Controls for the Use of City Issued Credit Cards and Rescinding Resolution No. 2002-R028.			
Contact Person/Dept.: Margarita Lee Budget Finance, Purchasing		Phone Number: 310/253-6552	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master Notification List (12/05/07).			
Department Approval: Jeff Muir (12/05/07)		City Attorney Approval: Carol Schwab (by H. Iker) (12/05/07)	
Fiscal Impact Review: Jeff Muir (12/05/07)		City Manager Approval: Jerry B. Fulwood (12/05/07)	
<u>RECOMMENDATION:</u> Staff recommends that the City Council adopt a resolution amending City Council Policy Statement No. 4209, entitled "Purchasing (Credit) Cards," to enhance the guidelines and controls for the use of City issued credit cards and rescinding Resolution No. 2002-R028. <u>BACKGROUND:</u> On March 25, 2002 the City Council approved Purchasing Card Policy Number 4209 to establish guidelines for the use of City issued credit cards. The City has used various methods to purchase goods and services. The Purchasing Division of the City Treasurer's Office initiated the Purchasing Card program to promote vendor acceptance and operational efficiency. City issued Purchasing Cards differ from traditional credit cards in the unique controls which have been developed for this program. These controls ensure that the City issued Purchasing Card can be used only for specific purposes within specific dollar limits. In addition, certification of all purchases is required by each card holder along with verification by the Approving Official before payment is made. <u>DISCUSSION:</u> The purpose of this Policy is to enhance the guidelines and controls in the use of City issued credit cards. Staff surveyed Purchasing Card Policies from 14 other			

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Cities to determine which policy model best reflects the City's needs. The intent is to clarify restrictions and appropriate usage. Also, this revised Policy provides more detailed instruction to the Card Holder on responsibilities that include managing receipts and processing billing statements. There is also a glossary that defines terminology used in the Policy. Each Cardholder is trained on the proper use of the Purchasing Card and given a copy of the Policy prior to issuance of the Purchase Card. Purchases are restricted by policy, and reinforcement of policy is made individually, or via bulletin to all Cardholders if a lack of understanding seems apparent. This Purchasing Card Policy includes a table of "allowable" and "non-allowable" goods and services to further clarify usage requirements and possible disciplinary actions for misuse.

FISCAL ANALYSIS:

There is no fiscal impact associated with this agenda item.

ATTACHMENTS:

1. Current City Council Policy Statement No. 4209
2. Proposed Resolution (including revised Policy No. 4209)

MOTION:

That the City Council:

Adopt the resolution amending City Council Policy Statement No. 4209, entitled "Purchasing (Credit) Cards" and rescinding resolution No. 2002-R028.