

	<i>Administrative Regulation</i>	
	Policy#	19.4
	Effective:	04/05/2006
	Revised:	06/17/2025
<b>Procurement Card Use</b>		Owner: Finance

**Note:** Terms in **bold** and *italics* throughout this policy are defined below.

## PURPOSE:

To establish the appropriate use of the City of Springfield **Procurement Card (P-Card)**. The program helps employees efficiently procure goods and services by reducing paperwork, providing faster access to materials, and enabling prompt vendor payments.

All P-Card activity must comply with State of Oregon procurement laws and applicable City policies.

## SCOPE:

This regulation applies to all employees and contractors, issued or granted access to an individual **City Procurement Card** or Department Procurement Card.

## POLICY:

Employees authorized to use a City-issued **P-Card** are entrusted to make purchases that support City operations. **Cardholders** are expected to follow all applicable laws, policies, and procedures. Misuse of the card or failure to comply with this policy may result in revocation of card privileges and disciplinary action.

Each card includes defined spending limits and usage restrictions. Employees must complete the required training and confirm their understanding of the responsibilities outlined in this regulation. Individual cardholders granted a P-Card will receive an agreement form from the **P-Card Administrator** to sign indicating they agree to the terms of use. A department with a Department Procurement Card will have an authorized department representative that ensures employees authorized to use the card understand and comply with the terms of use.

## PROCEDURE:

### 1. Purchasing Limits

- 1.1. Spending limits, including per-transaction and monthly maximums, are set by the Department Director or their designee.

### 2. Allowed Purchases

- 2.1. The ***P-Card*** may be used to buy goods and services that are not restricted by law or City policy, if the purchase falls within the employee's assigned spending limit.
- 2.2. The P-Card may be used for travel-related expenses if permitted under the City's Travel Reimbursement regulation.
- 2.3. Fuel purchases are only allowed when returning a City vehicle to the Motor Pool. Only the amount of fuel needed to return to the City Fuel Facility should be purchased.

### **3. Prohibited Purchases**

#### **3.1. Employees may not use the P-Card for the following:**

- 3.1.1. Cash advances or refunds
- 3.1.2. Capital equipment
- 3.1.3. Alcoholic beverages
- 3.1.4. Weapons or ammunition
- 3.1.5. Consulting or contracted services
- 3.1.6. Prescription medication
- 3.1.7. Equipment trade-ins
- 3.1.8. Cell phones, pagers & service plans
- 3.1.9. Instructors or guest services
- 3.1.10. Maintenance contracts
- 3.1.11. Government services
- 3.1.12. Entertainment
- 3.1.13. Purchases that are split or structured to avoid procurement limits.
- 3.1.14. Any item prohibited by City policies or law.
- 3.1.15. Personal expenditures/personal items

#### **3.2. Travel exceptions involving family:**

- 3.2.1. Personal costs shared during official travel (such as lodging or meals) may be charged to the P-Card but must be reimbursed within three business days of returning. Receipts and documentation must be submitted.

### **4. Card Security**

#### **4.1. Employees must:**

- 4.1.1. Keep the P-card secured at all times.
- 4.1.2. Never share the card or card number.
- 4.1.3. Avoid saving card numbers with vendors.
- 4.1.4. Make online purchases only on secure websites.
- 4.1.5. Never email or fax card numbers.

### **5. Receipts**

- 5.1. Employees must retain itemized receipts for all purchases.
- 5.2. If a receipt is lost or unavailable, printed confirmation showing the purchase details is acceptable.

## **6. Declined Transactions**

- 6.1. If a transaction is declined, employees must contact the ***Procurement Card Administrator*** for assistance.

## **7. Making a Purchase**

- 7.1. Before making a purchase, employees must:
  - 7.1.1. Confirm the item or service is allowable under this regulation and procurement law.
  - 7.1.2. Make sure sales tax and Corporate Activity Tax (CAT) are not charged.
  - 7.1.3. Obtain an itemized receipt.

## **8. Returns and Credits**

- 8.1. Employees must obtain credit documentation for any returned goods.
- 8.2. Credit must be recorded with the same accounting code as the original purchase.

## **9. Sales Tax or CAT**

- 9.1. The City is exempt from sales tax and CAT taxes. These charges should not be accepted.

## **10. Disputed Charges**

- 10.1. Employees must first attempt to resolve any disputes directly with the vendor within 10 calendar days. If unresolved, the Procurement Card Administrator must be contacted.

## **11. Monthly Reconciliations and Recordkeeping**

- 11.1. Employees must submit all receipts to the department's designated proxy within three business days of the purchase.
- 11.2. The proxy will review and assign the appropriate accounting codes in the ***Bank of America WORKS*** system.
- 11.3. A manager must approve each transaction. Whenever possible, the cardholder, proxy, and approver should be different individuals.

11.4. If reconciliation is not completed on time:

11.4.1. The Finance Department will charge the default account.

11.4.2. A correction must be submitted within 30 calendar days. Failure to do so may lead to notification of the Department Director and suspension or revocation of the card.

## **12. Lost or Stolen Cards**

12.1. If a card is lost or stolen, the employee must immediately contact Bank of America at (888) 449-2273 and notify the Procurement Card Administrator.

12.2. The employee may be responsible for any unauthorized charges made before the card is reported lost or stolen.

## **13. Requesting or Changing a Card**

13.1. To request a new or updated card, the employee must submit a completed Authorized Purchaser Form.

13.2. Temporary changes to card limits may be requested by the Department Director via email.

## **14. Unauthorized Use and Non-Compliance**

14.1. If a purchase appears to violate this regulation:

14.1.1. The Procurement Card Administrator or Finance staff will request justification from the cardholder.

14.1.2. Finance staff will investigate all suspected misuse. If a violation is found, the matter will be referred for disciplinary review.

14.1.3. Failure to comply with this regulation (including missing receipts, untimely reconciliation, or unreimbursed personal charges) may lead to card revocation and disciplinary action as outlined in City policy.

## **15. Audits**

15.1. The City will conduct periodic audits of P-Card transactions to ensure compliance. The City's external auditors may also review purchases as part of the annual audit process.

## **16. Termination**

16.1. The City's may revoke a P-card at any time.

- 16.2. When an employee separates from the City, the department must notify the Procurement Card Administrator immediately.

#### **DEFINITION:**

1. ***“Procurement Card (p-card)”*** is a City issued credit card used for purchases.
2. ***“Cardholders”*** is an employee or contractor authorized to use a P-Card.
3. ***“Procurement Card Program Administrator”*** refers to a Finance Department employee who oversees the P-Card program.
4. ***“Bank”*** is the financial institution issuing and managing the City’s P-Card account.

#### **RESOURCES:**

##### Administrative Regulation:

1. [Travel Reimbursement](#)

##### Forms:

1. [Authorized Purchaser Form](#)