



**CITY OF FRANKLIN
TENNESSEE**

Purchasing Card Procedures

for the

City of Franklin, Tennessee

Effective September, 2004

Dated February 23, 2005

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Troubleshooting Guide

If you experience problems with your use of the City of Franklin purchasing card, please contact one of the following individuals:

<u>Title</u>	<u>Name</u>	<u>Telephone</u>	<u>E-Mail</u>
The Department Purchasing Card Coordinator for your department	{ varies }	{ varies }	{ varies }
The Department Head for your department	{ varies }	{ varies }	{ varies }
Purchasing Specialist	Jaime Jones	550-6692	jaimej@franklin.gov.com
Purchasing Manager (also known as "Purchasing Card Administrator")	Brian Wilcox	550-6614	brianw@franklin.gov.com
Senior Accountant	Jeff Frye	550-6680	jefff@franklin.gov.com
Assistant Finance Director	Mike Lowe	550-6690	mikel@franklin.gov.com
Finance Director	Russ Truell	550-6691	russellt@franklin.gov.com
Assistant City Administrator	Randy Wetmore	550-6602	randyw@franklin.gov.com

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Table of Contents

INTRODUCTION	1
PURCHASING CARD REQUEST AND ISSUANCE	1
ROLES AND RESPONSIBILITIES	2
Financial Institution	2
Software Provider	2
Purchasing Card Administrator	2
Department Head	3
Department Purchasing Card Coordinator	3
Cardholder	3
Accounting	4
WORKFLOW PROCEDURES FOR CARDHOLDERS	4
Credit Limit	4
Discretionary Funds	4
Incremental Funds	5
OTHER CARD LIMITS	5
TRAINING	6
REVIEWS	7
On-Site Review	7
ALLOWED AND PROHIBITED USES FOR PURCHASING CARDS	7
Examples of allowed uses for official business include:	7
Examples of prohibited uses include:	8
VIOLATIONS	8
DISPUTES	9
BILLING DISCREPANCIES	9
SECURITY	9
LOST OR STOLEN CARD	10
DOCUMENTATION	10
RECONCILIATION	11
ACCOUNTING RECONCILIATION	11
SEPARATION OR TRANSFER	11
RENEWAL AND EXPIRATION	12
CHANGES TO THESE PURCHASING CARD PROCEDURES	12
APPENDIX A – REQUEST FOR PURCHASING CARD	13
APPENDIX B – CARDHOLDER AGREEMENT	15
APPENDIX C – DISPUTE FORM	17

Purchasing Card Procedures
of the
City of Franklin, Tennessee

{ This page intentionally left blank. }

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Introduction

The City of Franklin has issued purchasing cards in order to facilitate the purchasing process by reducing the need for purchase orders, vendor invoicing, vendor payment by City of Franklin check, and petty cash purchases, whenever possible. The use of purchasing cards thus makes the procurement function more efficient and easier for employees, vendors and central purchasing and accounting to implement.

In July, 2004, the City of Franklin awarded a contract for purchasing card services to SunTrust BankCard, N.A. (hereafter referred to as “the bank”). The contract will provide commercial purchasing cards and associated services to City of Franklin employees and other officials for the purpose of paying for purchases made for official City of Franklin business.

These Purchasing Card Procedures supplement the City of Franklin’s Purchasing Procedures and any instructions distributed to the cardholder at the time the card is issued. In the event these Purchasing Card Procedures conflict with any instructions provided by the bank, these Purchasing Card Procedures take precedence.

Documentation and controls over the use of the purchasing cards have been designed to assure the safeguarding of City of Franklin assets and to assure compliance with governing laws, rules, regulations, policies and procedures. Training is required for participation in this program. Cardholders must sign a written statement acknowledging that they have received a copy of the City’s Purchasing Card Procedures and agree to comply with those procedures.

Purchasing cards are the property of the City of Franklin. They are issued to individuals as selected by department heads. The cardholder is the only person entitled to use the card. The card may only be used for City of Franklin business. The cardholder’s department head and the Purchasing Card Administrator or their designees may determine dollar limits and the types of goods that can be acquired with each card within the overall parameters established by and for the City of Franklin.

Purchasing Card Request and Issuance

City of Franklin purchasing cards shall be issued to authorized and designated individual employees and other officials of the City who frequently purchase authorized goods and services for the City. Purchasing cards shall be issued with various purchase limitations set by the cardholder’s department head and the Purchasing Card Administrator or their designees in compliance with City of Franklin Purchasing Card Procedures.

The purchasing card will have the cardholder’s name, the City of Franklin’s tax exempt number, the City of Franklin logo and the expiration date embossed on the face of the card. The bank will not have individual cardholder information other than cardholder name, social security number and department of employment. No credit records of the cardholder are maintained by either the City or the bank, and social security numbers are maintained for identification purposes only.

Purchasing Card Procedures

of the
City of Franklin, Tennessee

The department head must make all requests for new cards or changes to current cardholder accounts by submitting a purchasing card application to the Purchasing Card Administrator. The department head shall schedule training through the Purchasing Card Administrator for employees nominated to receive a purchasing card. The Purchasing Card Administrator will not issue a purchasing card until the employee completes the training.

The cardholder will receive a copy of these Purchasing Card Procedures and training on the program before he or she receives the card. When the Purchasing Card Administrator receives a purchasing card from the bank, the cardholder will be required to personally take receipt of the card and record the receipt date on the application form. The Purchasing Card Administrator will retain the original application and the employee and Human Resources will each retain a copy.

Roles and Responsibilities

Financial Institution

- The bank or other financial institution that issues the purchasing card and guarantees prompt payments to merchants who accept the card as payment in accordance with the contract.

Software Provider

- Works Operating Company provides Payment Manager, web-based software that assists with creating electronic purchase requests and reconciling transactions. All cardholders and their department heads are expected to use Payment Manager as trained to complete their purchasing-card-related tasks.

Purchasing Card Administrator

- Processes card applications in accordance with these Purchasing Card Procedures.
- Implements card limits as requested by department heads and defined in the Purchasing Card Procedures.
- Approves use of card for certain procurements on a case-by-case basis.
- Issues cards.
- Terminates cards.
- Serves as bank liaison.
- Serves as dispute resolution facilitator.
- Provides training on the use of the City of Franklin purchasing cards.

Purchasing Card Procedures

of the
City of Franklin, Tennessee

- Conducts annual review of purchasing card program and these Purchasing Card Procedures.
- Recommends changes to these Purchasing Card Procedures.

Department Head

- Approves card applications for staff of his or her department.
- Approves defined limits on individual cards in accordance with City of Franklin Purchasing Card Procedures
- Approves purchase requests for incremental funds.
- Approves use of card for certain procurements on a case-by-case basis.
- Supports secure practices and procedures in his or her department.
- Appoints and/or designates a Department Purchasing Card Coordinator for his or her department.

Department Purchasing Card Coordinator

- Verifies and approves reconciled transactions.
- Posts transactions and assigns proper budget codes.
- Forwards original signed receipts & statements to Accounting for payment.
- Initiates applications for a card.
- Serves as the purchasing card program central point of contact for the Department.
- Conducts periodic inventory of cards.
- Reconciles transactions and disputes within the department.
- Communicates changes in cardholder employment status to the Purchasing Card Administrator.
- Provides Accounting with necessary documentation to process payments.
- Performs final reconciliation when cardholder leaves City of Franklin employment.

Cardholder

- Makes purchases in accordance with approved card uses and all governing laws, rules, regulations, policies and procedures.

Purchasing Card Procedures

of the
City of Franklin, Tennessee

- Knows his assigned spending limits.
- Submits purchase requests through Payment Manager for spending authority outside of his/her discretionary funds limit.
- Provides Department Purchasing Card Coordinator with all necessary documentation to process payments, especially including all appropriate sales receipts.
- Notifies vendors at the point of purchase that purchases are tax exempt.

Accounting

- Verifies reconciled statements and reviews them for accuracy.
- Makes payments on time to the financial institution.
- Performs periodic audits.
- Participates in training.

Workflow Procedures for Cardholders

Employees who have been approved to receive a Purchasing Card will also be approved for a credit limit and discretionary funds limit.

Billing Cycle Credit Limit

The credit limit is the maximum permitted sum of all purchases over the course of a billing cycle for each purchase card assigned to a particular card profile.

Discretionary Funds Limit

The discretionary funds limit is the amount of routine spending authority granted to each purchase card assigned to a particular card profile. In other words, the cardholder has the discretion to spend these funds without first having to submit a purchase request. The discretionary funds limit is automatically increased upon approval and by the amount of submitted purchase requests.

Available Funds

The available funds on your card are available to use for purchases at any time. Available funds are restored to your card once you or your proxy and someone acting as approver and Accounting have electronically signed off on your transaction through the Payment Manager software. (This task will be covered during your training.) In other words, the amount of available funds is the amount of the discretionary funds limit at any point in time for each purchase card, and is automatically restored by the amount of any transaction upon accounting

Purchasing Card Procedures

of the
City of Franklin, Tennessee

signoff on that same transaction. When all transactions are fully processed, the amount of available funds equals the discretionary funds limit. The amount of available funds is automatically increased upon approval and by the amount of submitted purchase requests.

Incremental Funds

If you need to make a purchase that would exceed your discretionary funds limit, you will need to create and submit an electronic purchase request through the Payment Manager software. This request will be reviewed by your department head (under \$2,500) or by both your department head and the Purchasing Office (over \$2,500).

Please be aware that you will not be able to receive funds for more than your credit limit. If you need to make a purchase that would exceed your credit limit, please contact your department head to request an increase in your credit limit, or consider having the purchase made using a different purchasing card with a higher credit limit.

Purchases Made With Available Funds

- Make these purchases at any time.
- Within 24 to 72 hours, the transaction will appear in Payment Manager. You will be required to log in and review its details, add comments, modify the General Ledger default allocation if necessary, and sign off on the transaction. It will then be routed to your department head for approval.

Requesting Incremental Funds

- Using Payment Manager, create a Purchase Request for the amount of incremental funds needed to make the purchase.
- Once approved, make your purchase.
- Log into Payment Manager and attach your transaction to the Purchase Request. Then, close the purchase request and sign off on the transaction.
- Your department head will then be asked to approve the transaction.

Other Card Limits

<ul style="list-style-type: none">• Standard Single-Transaction Limit	Maximum amount normally authorized for a single transaction, as authorized by the department head. This limit is automatically adjusted upon approval of submitted purchase requests.
---	---

Purchasing Card Procedures

of the
City of Franklin, Tennessee

<ul style="list-style-type: none">• Travel	The same limits of credit limit, discretionary funds limit, incremental funds and single-transaction limits apply. Exceptions to the above limits for travel can be granted by the City of Franklin City Administrator and/or the Assistant City Administrator consistent with the City of Franklin Travel and Expense Policy and Procedures.
<ul style="list-style-type: none">• Special	Exceptions to the above may be approved by the City of Franklin City Administrator, Assistant City Administrator, Purchasing Manager, and/or Finance Director, in compliance with the City's Purchasing Procedures.

Training

Prior to receiving a purchasing card, employees must complete the appropriate training program for their level of responsibility. The Purchasing Card Administrator or designee will conduct the training providing information and basic instructions on how to use the card for cardholders and department heads. The Purchasing Card Administrator or designee will provide training updates as needed.

All cardholders must sign an acknowledgement of training before receiving their purchasing card. Their signature acknowledges:

- they understand the training provided,
- they received training materials that they can utilize for future reference, and
- they understand the consequences associated with misuse of the card.

The City's purchasing card application appears in Appendix A. The Purchasing Card Administrator will retain completed applications while the cardholder's purchasing card remains active. The training program shall cover the following subject areas:

- Internal procedures for using the credit card such as: budgeting for purchases, documenting purchases, reviewing the statement of account, reconciling invoices and handling disputes.
- Cardholder and Department Purchasing Card Coordinator responsibilities.
- Procurement procedures and purchasing ethics such as determining price reasonableness, the prohibition against splitting requirements, checking for existing warranties, and information on current term contracts and agreements already providing services to City of Franklin customers that should not be duplicated.
- Use of the purchasing card in accordance with the City's Travel and Expense Policy and Procedures.

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Reviews

On-Site Review

The Department Purchasing Card Coordinator will conduct a card inventory and procedure review as requested by the Purchasing Card Administrator.

The Purchasing Card Administrator's designated representative will take advantage of automated systems that can provide reports of denied transactions for purchases from unauthorized merchants, violations of limits, and other irregular activities. Reviews will be conducted immediately when violations are noted.

Review results will remain on file for three (3) years. Copies of the results are forwarded to the department head, the cardholder's supervisor (if other than the department head) and the cardholder. The Department Purchasing Card Coordinator will meet with the cardholder to discuss each finding of noncompliance.

Allowed and Prohibited Uses for Purchasing Cards

Examples of allowed uses for official business include:

- Operating materials and supplies
- Office supplies
- Publications
- Registration fees for seminars and training
- Travel expenses when on City of Franklin business such as: gasoline, hotel charges, telephone calls, airline tickets, meals and rental car. All travel expenses shall be in compliance with the City of Franklin Travel and Expense Policy and Procedures.
- Software, if approved by MIT
- Uniforms, in accordance with City of Franklin policy
- Emergency equipment repair
- Shipping charges
- Maintenance services
- Printing services

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Examples of prohibited uses include:

- Alcoholic beverages
- Cash advances
- Personal use (not even if intended for future reimbursement)
- Any supply, material or service which violates any governing laws, rules, regulations, policies or procedures.
- Betting (including lottery tickets, casino gaming chips, off-track betting & wagers)
- Personal telephone calls
- Entertainment during travel

Violations

Any willful, intentional abuse or misuse involving fraud, theft or purchase of items for personal use may result in disciplinary action up to and including termination in accordance with City of Franklin personnel policy, in addition to any criminal penalties that may apply. The employee shall reimburse the City for any such purchases and any incidental costs. The privilege of using the purchasing card may be suspended or revoked at the discretion of the City of Franklin at any time with or without notice.

The following actions are considered to be examples of violations:

- Attempting to make single-item purchases that exceed limits. It is the responsibility of the cardholder to ensure all "extra" charges such as freight handling, set up, etc. are considered before a card transaction is made. A vendor's willingness to honor a transaction exceeding the limit does not authorize a cardholder to make such purchases.
- Attempting to make more transactions per day than allowed.
- Knowingly making a purchase from a vendor that creates a conflict of interest (e.g., companies owned by any City of Franklin employee who obtains City business in any manner not consistent with the City's Purchasing Procedures).
- Multiple transactions to circumvent the pre-determined limits.
- Purchase of prohibited goods or services.
- Failure to consistently produce proper documentation and receipts by established deadlines.
- Failure to properly report a lost or stolen purchasing card.

Purchasing Card Procedures

of the
City of Franklin, Tennessee

- Purchase of any item that is a prohibited expenditure in accordance with any governing laws, rules, regulations, policies or procedures.
- Failures to use correct procedures when using the card.

Disputes

If goods and services purchased with the Card are defective or faulty, the cardholder has the responsibility to notify his or her Department Purchasing Card Coordinator and to return the item(s) to the merchant for replacement, receive a credit on the purchase, or request the service be performed at a satisfactory level. **CASH REFUNDS WILL NOT BE PERMITTED.** If the merchant refuses to replace or correct the faulty item, then the purchase of this item will be considered in dispute. The cardholder shall notify his or her Department Purchasing Card Coordinator who in turn shall notify the Purchasing Card Administrator who in turn shall notify the bank and the merchant of the dispute.

In order to manage the dispute, a more formalized procedure is warranted. Therefore, a dispute must be documented on the City of Franklin's Statement of Disputed Item form (Appendix C) with appropriate documentation attached, if necessary. This form shall be completed by the cardholder and the Department Purchasing Card Coordinator and then forwarded to Accounting. Accounting will hold all documentation until the dispute is resolved and the transaction(s) is (are) ultimately reconciled.

It is essential that the time frames and documentation requirements established by the bank be followed to protect the cardholder's rights in dispute. Dispute policies and procedures of the bank will be the subject of purchasing card training and will be provided at the time the cards are issued to cardholders.

Billing Discrepancies

If an amount on the invoice differs from the billing cycle statement, then the Department Purchasing Card Coordinator shall contact the vendor and reconcile the difference whenever possible. If it is not possible for the Department Purchasing Card Coordinator to reconcile the difference, then the Department Purchasing Card Coordinator shall notify the Finance Department and ask for assistance with the matter.

If a fraud is suspected, then the Department Purchasing Card Coordinator shall contact the Purchasing Card Administrator immediately.

Security

Purchasing cards shall be issued in the names of individual employees. It is therefore the responsibility of the employee to secure both the purchasing card and the purchasing card number. Cardholders should always treat both the purchasing card and the purchasing card number with great care.

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Employees who are issued a purchasing card must:

- Not allow other individuals to use their purchasing card.
- Maintain the purchasing card in a secure place at all times.
- Carefully guard the purchasing card number.
- As soon as possible (but no later than at the start of the next working day) after concluding that his or her card has been lost or stolen, notify his or her Department Purchasing Card Coordinator who is then as soon as possible to notify the Purchasing Card Administrator who is then as soon as possible to notify the bank. In the event the Department Purchasing Card Coordinator is not available, the cardholder should directly notify the Purchasing Card Administrator. In the event the Purchasing Card Administrator is not available, the cardholder or Department Purchasing Card Coordinator should directly notify the bank.
- Return the purchasing card to the Department Purchasing Card Coordinator upon concluding employment with the City of Franklin.

Lost or Stolen Card

The cardholder shall take such action as is necessary to protect his or her card against loss or theft. However, in such an event, upon the completion of the stated notification procedure, the cardholder shall as soon as possible contact SunTrust bank via phone at 1-800-836-8562. Then, please contact the Purchasing Card Administrator immediately.

Documentation

Cardholders must notify vendors of the City of Franklin's tax-exempt status before the order is placed.

Any time a purchase is made with the card, the cardholder is to obtain a customer copy of the charge slip, which will become the accountable document.

When a detailed charge receipt is not provided with the order, the cardholder shall provide a written statement explaining why (e.g., that it was a telephone, fax or internet purchase) and provide a written description of the item, date of purchase, merchant name and total price including shipping and handling. For internet transactions, the cardholder shall print out the order confirmation and attach it to the written explanation.

Forward all documentation (including packing slips) to the Department Purchasing Card Coordinator no later than at the end of the next working day.

If for some reason the cardholder does not have appropriate documentation of the transaction he or she must attach an explanation that includes an item description, date of purchase, merchant

Purchasing Card Procedures

of the
City of Franklin, Tennessee

name, amount charged and a statement as to why there is no supporting documentation. Consistent abuse of this provision may result in card cancellation.

Reconciliation

The bank will provide to Accounts Payable at the end of each billing cycle a regular account statement detailing each cardholder's charges and a consolidated master statement. This statement of account will list all purchases processed in the previous billing cycle.

The cardholder must provide the Department Purchasing Card Coordinator with all sales receipts and other appropriate transactional documentation by the end of the next business day. The Department Purchasing Card Coordinator will maintain a record of all purchases and compare them to verify that purchases and returns are accurately listed on the statement and that there are no errors in billing. Once the bill is reconciled, the Department Purchasing Card Coordinator will have the cardholder sign the bottom of the statement certifying that the listed items were purchased exclusively for City of Franklin use. A copy will be kept in a running file and the originals will then be forwarded, including all documentation (including packing slips), to Department of Finance/Accounting for final reconciliation. Appropriate ledger code entries will be included as part of the reconciliation.

Accounting Reconciliation

Accounting will receive a consolidated statement from the Department Purchasing Card Coordinator for each card issued in his or her department. Upon receipt from the departments of account numbers for each purchase, Accounts Payable will verify that the detailed accounting matches the consolidated billing. Discrepancies will be resolved with the department head. Once all discrepancies are resolved, detailed account information will then be updated and entered into the general ledger system. Available funds will not be added back to any cards with missing or invalid account numbers.

Separation or Transfer

Cardholders who leave the City of Franklin's employment must surrender the card to the Department Purchasing Card Coordinator when the separation is scheduled. The cardholder's supervisor or department head shall, as soon as possible, notify the Department Purchasing Card Coordinator of the planned separation. The Department Purchasing Card Coordinator is responsible for collecting the card as soon as possible upon being made aware of the planned separation but no later than by the cardholder's last day of work, forwarding it to the Purchasing Card Administrator and notifying the department head that the card has been surrendered. The Purchasing Card Administrator will destroy the card and notify the bank to cancel the purchasing card.

For interdepartmental transfers, cardholders must surrender the card as indicated above. Cardholders may reapply for a new purchasing card if approved by the department head for the department to which the employee has transferred.

Purchasing Card Procedures

of the
City of Franklin, Tennessee

If the Department Purchasing Card Coordinator is unable to collect the card in a timely fashion as described above, he or she will notify the Purchasing Card Administrator who will immediately cancel the purchasing card. The Department Purchasing Card Coordinator will also notify Human Resources and request that they attempt to recover the card at the exit interview.

Renewal and Expiration

City of Franklin purchasing cards will be issued for two (2) years. If the department head approves reissue, the cards will be reissued or reinstated.

Changes to these Purchasing Card Procedures

The Purchasing Card Administrator shall propose amendments to the City of Franklin Purchasing Card Procedures for approval by the City Administrator or his or her designee.

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Appendix A – Request for Purchasing Card

The following should be filled out by the intended cardholder, submitted to his or her department head for approval, and then provided to the Purchasing Office for processing:

Cardholder name: _____

E-mail address: _____

Address to receive statement: _____

Last four digits of your social security number: _____

Department: _____

Card Profile: _____

- Billing Cycle Credit Limit: _____
- Discretionary Funds Limit: _____
- Standard Single-Transaction Limit: _____
- Action that restores Available Funds: _____
- Manual or Automatic Cardholder Signoff? _____

Employee: _____
(signature) (date)

Department Head: _____
(signature) (date)

Purchasing Manager: _____
(signature) (date)

Purchasing Card Procedures
of the
City of Franklin, Tennessee

{ This page intentionally left blank. }

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Appendix B – Cardholder Agreement

Cardholder Agreement to Accept the City of Franklin VISA Purchasing Card

Your participation in the City of Franklin VISA Purchasing Card Program is a convenience that carries responsibilities along with it. Although the card is issued in your name, it is City property and should be used with good judgment. Your signature below indicates that you have received a copy of the City's Purchasing Card Procedures and agree to comply with those procedures, especially the aspects summarized below.

1. The Visa Purchasing Card is provided to employees based on their need to purchase business-related goods and services. A card may be revoked at any time based on change of assignment or location. The card is neither an entitlement nor a reflection of title or position.
2. The card is for business-related purchases only; personal charges are not to be made to the card.
3. The cardholder is the only person entitled to use the card and is responsible for all charges made against the card.
4. Improper use of the card, including any personal charges on the card, shall be considered misappropriation of City funds, which may result in disciplinary action, up to and including termination.
5. Cardholders are expected to comply with internal control procedures in order to protect the City's assets. This includes keeping receipts, maintaining a transaction log, reconciling billing cycle statements and following proper card security measures.
6. Cardholders are responsible for reconciling their billing cycle statement and resolving any discrepancies by contacting the vendor or the bank.
7. Each account is assigned a cost accounting number by management and purchases will be automatically charged to that number unless indicated otherwise.
8. A lost or stolen card should be reported immediately by telephone to SunTrust BankCard, N.A. Customer Service at 1-800-836-8562.
9. A cardholder must surrender his or her card upon termination of employment (i.e., retirement or voluntary or involuntary separation).

Cardholder Signature

Approving Manager Signature

Cardholder Printed Name

Approving Manager Printed Name

Date

Date

Purchasing Card Procedures
of the
City of Franklin, Tennessee

{ This page intentionally left blank. }

Purchasing Card Procedures

of the

City of Franklin, Tennessee

Appendix C – Dispute Form

{ See reverse side of this page. }

Purchasing Card Procedures
of the
City of Franklin, Tennessee

{Replace this page with SunTrust “Dispute Information” form}

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Appendix A – Request for Purchasing Card

The following should be filled out by the intended cardholder, submitted to his or her department head for approval, and then provided to the Purchasing Office for processing:

Cardholder name: _____

E-mail address: _____

Address to receive statement: _____

Last four digits of your social security number: _____

Department: _____

Card Profile: _____

- Billing Cycle Credit Limit: _____
- Discretionary Funds Limit: _____
- Standard Single-Transaction Limit: _____
- Action that restores Available Funds: _____
- Manual or Automatic Cardholder Signoff? _____

Employee: _____
(signature) (date)

Department Head: _____
(signature) (date)

Purchasing Manager: _____
(signature) (date)

(OVER)

Purchasing Card Procedures

of the
City of Franklin, Tennessee

Appendix B – Cardholder Agreement

Cardholder Agreement to Accept the City of Franklin VISA Purchasing Card

Your participation in the City of Franklin VISA Purchasing Card Program is a convenience that carries responsibilities along with it. Although the card is issued in your name, it is City property and should be used with good judgment. Your signature below indicates that you have received a copy of the City's Purchasing Card Procedures and agree to comply with those procedures, especially the aspects summarized below.

1. The Visa Purchasing Card is provided to employees based on their need to purchase business-related goods and services. A card may be revoked at any time based on change of assignment or location. The card is neither an entitlement nor a reflection of title or position.
2. The card is for business-related purchases only; personal charges are not to be made to the card.
3. The cardholder is the only person entitled to use the card and is responsible for all charges made against the card.
4. Improper use of the card, including any personal charges on the card, shall be considered misappropriation of City funds, which may result in disciplinary action, up to and including termination.
5. Cardholders are expected to comply with internal control procedures in order to protect the City's assets. This includes keeping receipts, maintaining a transaction log, reconciling billing cycle statements and following proper card security measures.
6. Cardholders are responsible for reconciling their billing cycle statement and resolving any discrepancies by contacting the vendor or the bank.
7. Each account is assigned a cost accounting number by management and purchases will be automatically charged to that number unless indicated otherwise.
8. A lost or stolen card should be reported immediately by telephone to SunTrust BankCard, N.A. Customer Service at 1-800-836-8562.
9. A cardholder must surrender his or her card upon termination of employment (i.e., retirement or voluntary or involuntary separation).

Cardholder Signature

Approving Manager Signature

Cardholder Printed Name

Approving Manager Printed Name

Date

Date