

City of Los Alamitos

Administrative Regulation

Regulation:	5.1	 City Manager
Title:	Purchasing Card Program (Cal-Card)	
Authority:	City Manager	
Date:	August 18, 2005	
Revised:		

1. **Purpose:** The Cal-Card purchasing card is a payment mechanism for City acquisitions. It is designed to simplify the purchasing process by expediting purchases and reducing the number of purchase orders and checks that otherwise would be processed.
2. **Application:** This Administrative Regulation shall apply to City employees who routinely purchase items through imprest cash or purchase orders in an amount of less than \$1,500. The City Manager will determine who should have a Purchasing Card.
3. **Regulation:** The Financial Management Division administers the Purchasing Card Program, which has a fixed monthly expenditure per card limit. The purchasing card "Cardholder Guide" Guide provides the guidelines and procedures for participating in the Purchasing Card Program. The City Manager may make exceptions to the limits on a case-by-case basis. Written authorization must be obtained from the City Manager to change the limits.
4. **Department oversight:** Department Heads are responsible to:
 - A. Ensure cardholders in their departments comply with applicable laws, regulations and City policies governing card usage.
 - B. Review purchasing card statements for proper use.
 - C. Ensure warrant requests are accompanied by receipts and proper documentation of purchases.
 - D. Approve and submit approved warrant requests for card statements within 5 days of statement receipt.

Purchasing Cards Procedures

Purpose

To provide instructions on the proper use of the City of Los Alamitos IMPAC VISA purchasing card for the purchase of supplies, materials, equipment, and services not to exceed the limits established by the City Manager.

General Information

The VISA card you receive will have your name on it. No member of your staff, your family, your supervisor, or anyone else may use this card except you. The card is to be used for official City business and may not be used for personal purchases.

The purchasing card is a supplement and augments a purchase order in the purchasing process. As with other purchasing methods the following conditions must be met when using the purchasing card:

1. Each single purchase may be comprised of multiple items, but cannot exceed the single purchase dollar limit on your purchasing card. Keep in mind the City's purchasing limits still apply; for any purchase \$1,500 or over three competitive bids must be obtained.
2. The least expensive item that meets your basic needs should be sought.
3. Cardholders must insure that sufficient funds are available prior to making any purchases.
4. Use of purchasing card(s) is not intended to replace effective purchasing planning which enables volume discounts.
5. Normal department approval should be followed before making purchasing card purchases.
6. Purchases must not be split to circumvent regulations.
7. If a purchase made with your purchasing card is questioned; you must be able to explain the nature of the purchase. If you cannot substantiate that purchase was necessary and for city use, your supervisor will address the situation in accordance with City policy.

Card Use and Restrictions

The purchasing card can be used to purchase supplies, services, and equipment that do not conflict with the City's purchasing procedures. Purchasing cards shall not be used for the following:

1. "Prohibited Purchases" from Cardholder's Guide, pg. 7
2. Consultants
3. Cash advances
4. Speakers
5. Splitting up purchases to avoid competitive bids
6. Service agreements
7. Personal items
8. Personal loans, advances or other personal use

Monthly Purchasing Card Procedures after Purchase

The billing cycle closes on the 22nd of each month. You will receive a statement from U.S. BankCard Systems. The statement will itemize each transaction charge to your account.