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### SECTION 1 – PURPOSE, ORGANIZATION, AND **GENERAL GUIDELINES**

#### 1.1 Purpose

- A. The Purchasing Policy and Procedures Manual was developed to explain the purchasing guidelines used by the City of Marion. The policies provide the governing principles and courses of action to follow. The detailed procedures and instructional statements will be presented in separate documents.
- B. The intent of Marion City Council and City staff is to buy materials, supplies and services of high quality at a reasonable cost from qualified, responsible, and responsive vendors. All purchasing actions engaged by the City shall be fair, impartial, and free from impropriety or the appearance of impropriety. All qualified buyers and sellers shall have access to compete for City business, and no reasonable offer shall be arbitrarily excluded.
- C. In the case of conflict between applicable Federal or State grant requirements or quidelines and City policies or procedures, the applicable grant requirements or guidelines shall apply.

#### 1.2 Organization

- A. Purchasing is organized and maintained as a division of the Finance Department and is under the supervision of the Finance Director. In the absence of the Purchasing Coordinator, the Finance Director shall act as Purchasing Coordinator.
- B. The City of Marion has a decentralized purchasing system. This means that departments independently purchase items needed for their operations.
- C. The Purchasing Division may be used as a service and support agency for other departments of the City to gain maximum efficiency and the cooperation of all departments is required.

#### 1.3 Responsibilities

- A. City Manager: By law Iowa Code section 372.8e, the City Manager as chief administrative officer shall "Supervise the performance of all contracts for work to be done for the City, make all purchases of material supplies, and see that such material and supplies are received, and are of the quality and character called for by the contract."
- B. **Department Director**: It shall be the responsibility of the department director to ensure their department follows all policies and procedures.



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- **C. Division Manager**: The building and planning division Managers shall have the same responsibility as the Department Director would have in regard to the purchasing policy and thresholds.
- D. **Finance Department:** The City Manager will direct the Finance Department to review all invoices for materials, supplies or services prior to payment. The Finance Department is responsible for ensuring that departments adhere to this policy.
- E. **City Employee**: It shall be the responsibility of the City employee making a purchase on behalf of the City to obtain the proper approvals prior to making such purchase. No purchase made by an employee shall bind the City from receiving or paying for the goods or services procured, unless authorized by the methods described herein.
- F. **Information Technology (I.T.)**: The I.T. Department is responsible for ensuring that technology spending is an efficient and effective use of dollars as well as maintaining compliance, compatibility, security, non-duplication, and standardization.
- G. **City Attorney**: The City Attorney shall be responsible for ensuring contracts meet minimum standards.
- H. **Library Board of Trustees**: The Marion Public Library will follow the policy and procedures set forth in this policy and in Chapter 21 Library Board of Trustees.
- I. **Designees**. Any reference to a specific individual or position shall also be interpreted to include that individual or position's designees.

#### 1.4 Definitions

- A. For purposes of this manual, the following terms, phrases, words, and their derivations shall have the meanings given herein.
  - 1. <u>Acceptance:</u> The assumption of a legal obligation by a party to a contract and the terms and conditions of that contract.
  - 2. <u>Addendum:</u> A written change, addition, alteration, correction, or revision to a procurement document. Addendum/Addenda may be issued following a prebid/pre-proposal conference or as the result of a specification or work scope change to the solicitation.
  - 3. Advertising: A form of public notice of an intended purchase.
  - 4. <u>Agreement:</u> A duly executed and legally binding contract. The terms "agreement" and "contract" are, in most cases, synonymous.
  - 5. <u>Alternate Bid:</u> A bid knowingly submitted in variance from the specifications, terms, conditions, or provisions of the solicitation. The City reserves the right to determine acceptance of the proposed equivalent or equal terms.
  - 6. <u>Amendment:</u> An agreed addition to, deletion from, correction or modification of an agreement or contract. A formal revision, improvement, or correction.



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- 7. <u>Authorized Personnel</u>: Those persons approved to perform designated functions.
- 8. <u>Best Interest of the City</u>: The rationale granting a purchasing officials discretion in taking the action most advantageous to the City when it is impossible to adequately interpret a specific response by law or regulation.
- 9. <u>Bid</u>: A price offer by an intended seller or an intended buyer.
- 10. <u>Bid Bond</u>: An insurance agreement, accompanied by a monetary commitment, by which a third party (the surety) accepts liability and guarantees that the bidder will not withdraw the bid. The bidder will furnish bonds in the required amount and if the contract is awarded to the bonded bidder, the bidder will accept the contract as a bid, or else the surety will pay a specific amount.
- 11. <u>Bid Opening</u>: The act of publicly opening the bid envelopes and making the bids available for public inspection.
- 12. <u>Capital Asset</u>: Assets that 1) are used in operations, 2) have an initial useful life of more than one year and 3) have a cost/value of \$5,000+ (Land is capitalized at all values). The term embraces both tangible assets (land, buildings, building improvements, vehicles, machinery, equipment, works of art, infrastructure), and intangible assets (easements, software).
- 13. <u>Capital Expenditure</u>: An expenditure that results in the acquisition of or an addition to a fixed asset.
- 14. <u>Caveat Emptor</u>: All surplus, seized, and unclaimed property is disposed of "as is" and "where is", with no warranty guarantee, or representation of any kind, expressed or implied, as to the condition, utility or useability of the property offered.
- 15. <u>Change Order</u>: The purchaser's written modification to a purchase order or contract.
- 16. City: The City of Marion, Iowa.
- 17. City Council: The legislative and governing body of the city.
- 18. <u>City Manager</u>: The chief administrative officer of the City, appointed by the City Council.
- 19. <u>City Officers</u>: Those persons who occupy positions created by Iowa statute or under authority of Iowa statute to exercise at least some portion of the City's governmental power (see City Council).
- 20. <u>Competitive Bid Process</u>: A process to identify and request products and/or services the applicant needs, so that potential service providers can review those requests and submit bids for them. Competitive bid requests are posted externally (ie. City of Marion website) and can be sent to potential vendors.
- 21. <u>Conflict of Interest</u>: The potential for disharmony or unethical behavior that may exist between interests due to an employment or business ownership by a City employee, City officer, or immediate family member of a City employee



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- or officer; or due to a person or business that is or is seeking to be a party to any sale, purchase, lease, or contract to, from or with the City.
- 22. <u>Contract</u>: A legally binding mutual agreement between two parties. The terms "agreement" and "contract" are, in most cases, synonymous.
- 23. Contractor: Any person or business having a contract with the City.
- 24. <u>Cooperative Procurement (Purchasing)</u>: An arrangement in which two or more entities combine their buying requirements into a single contract and aggregate volume to enhance their purchasing power. Cooperative procurement efforts may result in contracts that other entities may "piggyback". (See Piggyback Cooperatives)
- 25. <u>Council Batch</u>: The term is used to reference a check run that follows the Council meeting cycle. Invoices included in the Council batch are reviewed and approved by City Council in the Schedule of Bills PRIOR to payment.
- 26. <u>Department</u>: An organizational unit within City government that is responsible to the City Manager or Deputy City Manager.
- 27. <u>Designee</u>: Duly authorized representative.
- 28. <u>Disputed Charges</u>: A claim or complaint about a purchasing transaction. This does not include sales tax or a standard refund or return.
- 29. <u>Division</u>: An organizational unit within a City department that is responsible to the head of a department.
- 30. <u>Emergency Purchase</u>: The purchase of supplies and/or services whose immediate procurement is essential to prevent delays which may vitally affect the life, health, safety, or convenience of residents or serious loss or injury to the City. See section 5 Emergency / Urgent Need Purchase for guidelines.
- 31. <u>Employee</u>: An individual employed by the City and compensated with wages. A person who is listed as an active employee on the City's payroll records is an employee until officially terminated.
- 32. <u>Encumbrance</u>: A financial commitment for unperformed or unpaid contracts for goods or services.
- 33. <u>Evaluation Committee</u>: A group or team of advisors selected to assist in recommending a vendor for a contract award.
- 34. Friday Batch: The term is used to reference a weekly check run. Invoices included in the Friday batch are paid prior to City Council review and approval in the Schedule of Bills. Checks are distributed on Friday and invoices are included for approval in the Schedule of Bills at the next City Council meeting (AFTER payment). The invoices that can be included in the Friday Batch are limited to those noted in section 6.1.
- 35. <u>Immaterial</u>: Change in purchase amounts that are deemed insignificant by Finance in size, amount, or impact relative to the overall financial transaction.
- 36. <u>Performance Bond</u>: A bond issued upon award of the contract, that secures the performance of all terms, conditions, and agreements stated within the



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contract by the vendor. A performance bond protects the buyer from the vendor's inability to complete the contract.

- 37. <u>Piggyback Cooperatives</u>: Form of intergovernmental cooperative purchasing in which an entity will be given the pricing and terms of a contract entered into by a larger entity. Generally, the larger entity will competitively award a contract that will include language allowing for other entities to use the contract to their advantage in terms of pricing, thereby gaining economies of scale that they normally would not receive if they competed on their own.
- 38. <u>Pre-Solicitation</u>: A meeting with prospective bidders or proposers to clarify the requirements of a contract to be put out for a bid or proposal.
- 39. <u>Procurement</u>: Purchasing, renting, leasing, or otherwise acquiring any supplies, services, or construction. Includes all functions that pertain to the acquisition, description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.
- 40. <u>Public Agency</u>: The State of Iowa or any agency or subdivision thereof, any city, county, special district, or school district.
- 41. <u>Public Improvement</u>: The construction or improvement of a public building, structure, utility system, property, or infrastructure. Defined in Iowa Code section 26.
- 42. Real Property: Land and its permanently affixed buildings or structures.
- 43. Request for Bid (RFB): A Request for Bid is a publicly advertised solicitation for well-defined specifications and/or scope of work. Bids are received by a set date, time, and place where they may be publicly opened. The City of Marion may use this solicitation method for purchases when the total cost is anticipated to be more than \$35,000. The evaluation is based on price (other factors such as delivery time and service can be considered in the evaluation but only if they are specified in the RFB requirements).
- 44. Request for Quotation (RFQ): A Request for Quotation is an informal solicitation method which may be used for simple and easily defined purchases. The City of Marion may use this solicitation method for purchases when the total cost is anticipated to be between \$5,000 \$35,000. The evaluation is based on price (other factors such as delivery time and service can be considered in the evaluation but only if they are specified in the RFQ requirements).
- 45. Request for Qualifications (RFQu): A Request for Qualification is a publicly advertised solicitation used to determine potential suppliers or vendors for a product, service, or project which solicits their statement of qualifications (SOQ). The City of Marion may use this method for purchases when the total cost is anticipated to be more than \$35,000. The evaluation is based on the vendor's skills and experience. A RFQu can also be used as a prequalification step for a future procurement method.



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- 46. Request for Proposal (RFP): A Request for Proposal is a publicly advertised solicitation where cost is not the sole evaluation criteria for selection and the specifications/scope of work may be complex. The RFP solicits two parts to a proposal -- technical criteria and cost -- from prospective vendors. The City of Marion may use this method for purchases when the total cost is anticipated to be more than \$35,000. The objective is to obtain the best value for the City. The evaluation is based on a combination of price, interview evaluation (where applicable), and highest score from the analysis of the proposal.
- 47. <u>Requisition</u>: An internal communication that details materials or services required.
- 48. Responsible Bidder: A person or business that has the capability in all respects to fully fulfil the contract requirements and has integrity and reliability which will assure good faith performance.
- 49. <u>Responsive Bidder</u>: A person or business that has submitted a bid or proposal that conforms in all material respects to the solicitation.
- 50. <u>Risk Management</u>: The identification, measurement and treatment of property, liability, and personal loss exposures; includes analysis of potential risk situations and insurance needs, as well as the amount of financial coverage needed to protect the City.
- 51. <u>Sealed Bid</u>: An offer submitted in a closed envelope to be opened at a specific time and place.
- 52. <u>Single Source (sometimes called Preferred Manufacturer)</u>: Purchases are directed to one source because of standardization, warranty, or other factors, even though other competitive sources may be available.
- 53. <u>Sole Source</u>: A situation created due to the inability to obtain competition. This may result because only one vendor or supplier possesses the unique ability or capability to meet the requirements of the solicitation.
- 54. <u>Specification</u>: A detailed description of the physical or functional characteristics of a product or service. A description of what the purchaser seeks to buy and what a respondent must be responsible for to be considered for award of a contract.
- 55. <u>Surplus Property</u>: City owned property that is no longer needed or has no practical use to a particular City department. Examples of surplus property include but are not limited to vehicles, athletic and sporting equipment, furniture, electronics, generators, library equipment, machinery, tools, mowing equipment, office machines, playground equipment, etc.
- 56. <u>Unbudgeted</u>: Not included in the City budget. Unbudgeted includes under budgeted.
- 57. <u>Urgent Need Purchase</u>: The purchase of supplies and/or services when there is a situation that creates a need to avoid, prevent, or alleviate serious harm or injury, financial or otherwise, to the City and the use of competitive



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- procurement would prevent the urgent action required to address the situation. See section 5 Emergency / Urgent Need Purchase for guidelines.
- 58. <u>Using Department</u>: An organizational unit within the City that utilizes supplies, services or construction.
- 59. Vendor (sometimes referred to as "supplier"): A qualified individual or business, meeting standards of business competence and abilities established by the City, who conducts business or seeks to do business with the City by providing commodities and services meeting the specified requirements and quality standards of the City.
- 60. <u>Vendor Registration Form</u>: A required form completed by vendors to provide contact, remittance, and other company information to the City for vendor setup and maintenance.



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### SECTION 2 – PURCHASE GUIDELINES & APPROVAL THRESHOLDS

#### 2.1 General Purchase Guidelines

- A. For all purchases, verify the item or service is budgeted for your department.
- B. Invoices and receipts shall be retained for purchases and turned in for department approval and coding.
- C. For purchases above the purchase order (PO) threshold, the PO shall be obtained before the purchase.
- D. Responsibility for purchases within each department rests with the department director.
- E. Departments are responsible for submitting their POs and invoices to the Finance Department in a timely fashion so as to avoid late fees or penalties from vendors by the submission deadline determined by the Finance Department.
  - Checks processed in the "council batch" are typically processed the week prior to the City Council meeting, and distributed the Friday after Council approval is obtained.
  - Checks processed in the "Friday batch" are typically processed on Thursday and distributed on Friday.
- F. For any department that utilizes an in-house charge account with a vendor (i.e., Menards), that department is responsible for providing the Finance Department with a list of employees that are eligible to make purchases on the City's account. This list shall be updated and resubmitted to the Finance Department any time the department has a change to the account.
- G. These procedures may be amended, revised, or modified as deemed necessary by the Finance Director with the approval of the City Manager and/or City Council.

#### 2.2 Cooperative Purchasing

The City may initiate or participate with other governmental bodies, including the State of lowa, in cooperative purchasing. This may take place using lowa Code Chapter 28E for intergovernmental agreements or utilization of a contract clause. This would allow a legal purchase at the cost designated in another entity's contract, in the best interest of the City, notwithstanding any provisions of this manual to the contrary. Utilization of any existing state or federal government contracts would satisfy bidding and quotation procedures under this policy.



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### 2.3 Information Technology Purchase Guidelines

The Information Technology Department will assist and/or approve all technology related purchases to maintain consistency, ensure the software/hardware selected is a good fit and is consistent between departments, ensure data security, and all stakeholders have a clear understanding of the implications regarding the purchase.

Common technology purchases include, but are not limited to:

- Computers (desktops, laptops, tablets, and iPads)
- Mobile Devices (cell phones and other tablets with cellular capability)
- Software (desktop software, mobile apps, and subscription-based software)
- Equipment (monitors, projectors, plotters, and printers)
- Input devices (keyboards, mice biometric readers, scanners, signature pads)
- Surveillance cameras and video storage
- Network equipment (switching and wireless access points)
- Uninterruptible Power supplies (UPS units)

#### 2.4 Budgeted Purchase Approval Threshold

A. Determine the process necessary for your budgeted item or service purchase based on the total dollar amount of the item/s or service to be purchased. Note that the total cost shall be considered when evaluating the below thresholds and in determining the final vendor selection. Total cost includes shipping & handling fees and transportation surcharges.

Department Director	Up to \$10,000.00
City Manager and Library Board *	\$10,000.01 - \$50,000
City Council and or Library Board *	Greater than or equal to \$50,000.01

<sup>\*</sup>Library Board approval is only necessary for the Library Department purchases.



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#### 2.5 Unbudgeted Purchase Approval Threshold

A. Purchases that are not budgeted shall be based on total cost when evaluating the below thresholds and in determining the final vendor selection. Total cost includes shipping & handling fees and transportation surcharges.

Department Director	Up to \$5,000
City Manager and Library Board *	\$5,000.01 - \$35,000
City Council and or Library Board *	Greater than or equal to \$35,000.01

<sup>\*</sup>Library Board approval is only necessary for the Library Department purchases.

- B. The department director is responsible for working with the Finance Director to determine where the purchasing funds will come from.
- C. Purchases that are under-budgeted by an immaterial amount may be approved by the Finance Director or Deputy Finance Director at their discretion.

### SECTION 3 – CONTRACTS, QUOTATIONS, BIDS, AND PROPOSALS

### 3.1 Purpose

- A. The purpose of obtaining quotations, bids, and/or proposals is to obtain the quality of materials and/or services consistent with the City's needs to provide services to the residents of Marion in a timely manner and at the best value.
- B. The process will involve communication between departments and purchasing staff, with support provided by the City Attorney, budget and accounting staff, technical experts, and other administrative personnel, vendors, and consultants as determined to be appropriate for each procurement.
- C. Potential vendors will be given an opportunity to provide quotations, bids, or proposals and will be treated fairly in the process of doing so.

#### 3.2 General Guidelines

- A. The City Manager and Finance Director always reserve the right to review each quotation, obtain additional bids if deemed necessary and verify prices with the named vendors.
- B. Written quotes can be accepted in a variety of different mediums but must clearly identify the vendor information associated with the pricing (i.e., email, fax, internet pricing lists, traditional catalog price lists, brochures, flyers). Pricing shall include all applicable charges and shipping/handling fees.



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#### 3.3 Contracts

All legal binding contracts that are entered into on behalf of the City, in which the contract requires to commit a total purchase at the current City Council approval level or more, or if it requires purchases over more than a two-year timeframe (regardless of amount), must be approved by City Council prior to entering the contract. The council may either sign the contract as approved or authorize a specific staff person to execute the contract on the City's behalf. The Library Board will approve all budgeted contracts for the library over the Department Director's purchasing threshold.

#### 3.4 Competitive Purchasing Requirements

All purchases of, and contracts for, supplies and contractual services, for an estimated cost of \$35,000 or more, except as specifically provided herein, shall be based wherever possible on competitive purchasing. Utilization of any State or Federal bid contracts satisfies the competitive purchasing requirements.

All procurement methods for materials, products, supplies, provisions, and other needed articles and services to be purchased at public expense shall not knowingly be written in such a way as to exclude any company capable of filling the needs of the purchasing entity from submitting a responsive proposal. Whether or not stated, the City may consider life cycle costing analysis, and may give weight to the value of standard facilities and equipment, in selecting a vendor.

Exceptions to the competitive purchasing requirements include:

- Items valued under \$35,000 (unless dictated by Federal or State law).
- Emergency/urgent need purchases as defined in section 5.
- Some professional services may also be excluded subject to the items listed in section 3.7.
- A vote by the City Council exempting specific opportunities or conditions may be requested by the City Manager. Approval of an exemption of this requirement shall be a simple majority vote by the Council.



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### 3.5 Threshold Amounts for Quotations, Bids, and Proposals

Purchase Amount	Requirements	Method of Solicitation
< \$5,000	Purchaser shall make reasonable judgment when choosing where to make a purchase.	Any – most likely buying in store, online, or via phone as needed.
\$5,000- \$35,000	Purchaser must make reasonable effort to obtain at least 3 quotes. Written documentation is required for verification. A purchase order is required.	At a minimum:  Written/catalog quotes.  Request for Quotation Other Options:  Request for Bid Request for Qualifications Request for Proposal
>\$35,000	Purchaser must use a competitive publicly advertised solicitation method to make a purchase. Purchaser will directly contact or notify at least 3 vendors in addition to publicly advertising. Documentation will be required for verification. A purchase order is required.	Options:     Request for Bid     Request for     Qualifications     Request for Proposal



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### 3.6 Types of Solicitations

A. <u>A Request for Bid (RFB)</u> is a publicly advertised solicitation for well-defined specifications and/or scope of work. Bids are received by a set date, time, and place where they may be publicly opened. The City of Marion may use this solicitation method for purchases when the total cost is anticipated to be more than \$35,000. The evaluation is based on price (other factors such as delivery time and service can be considered in the evaluation but only if they are specified in the RFB requirements).

When is this method used?	<ul> <li>There are well-defined specifications or scope of work.</li> <li>Price is the determining factor in the evaluation (other factors such as delivery time and service can be considered in the evaluation but only if they are specified in the RFB requirements).</li> </ul>	
Is public advertising required?	Yes	
What is the method of evaluation?	Evaluation is based on the lowest responsive, responsible bidder (other factors such as delivery time and service can be considered in the evaluation but only if they are specified in the RFB requirements)	
Examples of when this solicitation method might be used	<ul> <li>Equipment with an anticipated cost greater than \$35,000 with well-defined specifications</li> <li>Public improvement projects which follow Federal &amp; State guidelines</li> </ul>	



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B. A Request for Quotation (RFQ) is an informal solicitation method which may be used for simple and easily defined purchases. The City of Marion may use this solicitation method for purchases when the total cost is anticipated to be between \$5,000 - \$35,000. The evaluation is based on price (other factors such as delivery time and service can be considered in the evaluation but only if they are specified in the RFQ requirements).

When is this method used?	<ul> <li>Purchase is simple and easily defined.</li> <li>Price is the determining factor in the evaluation (other factors such as delivery time and service can be considered in the evaluation but only if they are specified in the RFQ requirements)</li> <li>Total cost is anticipated to be between \$5,000 - \$35,000.</li> <li>This type of solicitation is a fairly simple document with relatively quick turnaround in comparison to the other types of solicitations.</li> <li>Note: With the same threshold (total cost \$5,000 - \$35,000), if the specifications and/or scope of work is complex and price is not the sole evaluation criteria, the RFP method shall be used.</li> </ul>	
Is public advertising required?	No	
What is the method of evaluation?	Evaluation is based on lowest responsive, responsible bidder (other factors such as delivery time and service can be considered in the evaluation but only if they are specified in the RFQ requirements).	
Examples of when this solicitation method might be used	<ul> <li>UTV purchase</li> <li>Vehicle purchase if anticipated total cost is less than \$35,000</li> </ul>	



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C. A Request for Qualification (RFQu) is a publicly advertised solicitation used to determine potential suppliers or vendors for a product, service, or project which solicits their statement of qualifications (SOQ). The City of Marion may use this method for purchases when the total cost is anticipated to be more than \$35,000. The evaluation is based on the vendor's skills and experience. A RFQu can also be used as a pre-qualification step for a future procurement method.

When is this	Most commonly used when:	
method used?	<ul> <li>More weight is put on the firm and/or individuals performing the work (versus RFP where evaluation is based on best value).</li> <li>Total cost is anticipated to be more than \$35,000.</li> <li>To create a pre-qualified list for a future opportunity. The pre-qualification list can add value when similar services will be required for multiple contracting opportunities and the City wants to quickly select a qualified vendor when the next opportunity arises.</li> </ul>	
Is public advertising required?	Yes	
What is the method of evaluation?	Evaluation is based on technical capabilities, experience, project approach, customer success, reputation, and references. Price is negotiated after the best candidate is determined.	
Examples of when this solicitation method might be used	<ul> <li>Public improvement projects which follow Federal and State guidelines</li> <li>When gathering vendors for a future solicitation to meet a specific need</li> </ul>	



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D. A <u>Request for Proposal (RFP)</u> is a publicly advertised solicitation where cost is not the sole evaluation criteria for selection and the specifications/scope of work may be complex. The RFP solicits two parts to a proposal -- technical criteria and cost -- from prospective vendors. The City of Marion may use this method for purchases when the total cost is anticipated to be more than \$35,000. The objective is to obtain the best value for the City. The evaluation is based on a combination of price, interview evaluation (where applicable), and highest score from the analysis of the proposal.

When is this method used?	<ul> <li>Most commonly used when:</li> <li>Selection of the vendor is being made not only on price but a combination of non-price factors.</li> <li>The total anticipated cost is expected to be more than \$35,000.</li> <li>City is looking for a solution to a problem. The request could be for a need that is difficult to specify where a desired result is identified, and the vendors propose details on how they will get us there.</li> </ul>
Is public advertising required?	Yes
What is the method of evaluation?	Evaluation is based on obtaining the best value for the City. The evaluation criteria may include such factors as past performance, references, management and technical capability, price, quality, and performance requirements. Some level of subjective evaluation is built into the evaluation.
Examples of when this solicitation method might be used	<ul> <li>Banking services where we are looking for the best value.</li> <li>Compensation study where we are looking for best value.</li> </ul>



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#### 3.7 Public Improvement Project

A. **Guidelines**. Cities in Iowa are required to follow proper bid procedures when contracting for public improvement projects. Chapter 26 of the Iowa Code (<a href="www.legis.iowa.gov">www.legis.iowa.gov</a>) details the laws on bid procedures for public improvement projects.

#### B. Process Flow

- Determination. The Project Manager first determines if the project they
  will be completing is a public improvement. The definition of public
  improvement along with the exclusions can be found in Chapter 26 of the
  lowa Code (<a href="https://www.legis.iowa.gov">www.legis.iowa.gov</a>).
- 2. **Type of Project.** Project Manager determines if the project is a horizontal or vertical project.

Below are the Iowa Administrative Rule definitions of horizontal and vertical infrastructure:

- Horizontal Infrastructure Publicly owned roads, bridges, or culverts
- Vertical Infrastructure (<a href="https://iowadot.gov/local-systems/Bid-and-guote-threshold">https://iowadot.gov/local-systems/Bid-and-guote-threshold</a>) Buildings, all appurtenant structures, utilities, incidental street improvements including sidewalks, site development features, recreational trails and parking facilities. Vertical infrastructure does not include any work constructed in conjunction with or ancillary to highway, street, bridge, or culvert projects, including but not limited to utilities and sidewalks.
- 3. **Bid and Quote Thresholds.** Chapter 26 of the lowa Code (<a href="www.legis.iowa.gov">www.legis.iowa.gov</a>) details the thresholds that require a City to receive bids or quotes for public improvement projects. The thresholds differ between the type of project (horizontal or vertical) and city population. The thresholds are subject to change on an annual basis. Updates to the competitive bid thresholds established in section 314.1B of the lowa Code can be found on the lowa League of Cities website (<a href="www.iowaleague.org">www.iowaleague.org</a>) or the State Legislature website (<a href="www.legis.iowa.gov">www.legis.iowa.gov</a>).
- 4. For purchase order changes on Public Improvements, see section 4.3.

#### 3.8 Professional Services Exemption

For purposes of this policy, professional services shall be those services provided by a person with an advanced/specialized degree, such as a CPA, lawyer, architect, engineer, actuary, or in some cases a highly specialized consultant.

 Where practical, if the professional service is anticipated to be less than the Council threshold three bids/quotes shall be obtained.



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If the professional/consulting service is anticipated to be more than the Council threshold and/or a contract greater than two years (no matter what the amount is), a formal competitive bidding process shall be completed.

Professional/consulting service bids or proposals shall be evaluated based on the vendor's reputation, experience, and understanding of the work to be done. Price, while it can be a factor, shall not be the primary factor.

#### 3.9 Sole/Single Source Bid

All purchases involving a sole/single source bid (no competitive bids) where competitive bids are required shall be accompanied by written justification from the department director detailing the reason for a sole/single source purchase.

A. <u>Single Source (sometimes called Preferred Manufacturer)</u>: Purchases are directed to one source because of standardization, warranty, or other factors, even though other competitive sources may be available.

Examples of Single Source Circumstances:

- Compatibility with existing equipment when the product is available from only one source. For example, equipment is to match existing equipment to minimize parts inventories or maintenance.
- Commodities that are available from more than one source but there is only one source that can support the product in this area and support needs will be ongoing.
- Services that are available from more than one source, but the scope of services includes interfacing with existing systems or equipment and there is only one source that will support the interface and related equipment/systems.
- A. <u>Sole Source</u>: A situation created due to the inability to obtain competition. This may result because only one vendor or supplier possesses the unique ability or capability to meet the requirements of the solicitation.

Examples of Sole Source Circumstances:

- The purchase of a component or replacement part for which there is no commercially available product, and which can be obtained only from the manufacturer.
- The use of other than original equipment manufacturer (OEM) parts would void a still valid warranty.
- The purchase of an item where compatibility is the overriding consideration.



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#### 3.10 Iowa Preference

Preference will be given to products and provisions grown and produced within the State of Iowa. The purchasing department shall make every effort to support Iowa products when making a purchase. In cases where two or more bids, formal or informal, are equal in all aspects, preference shall be given to the Iowa vendor if one of the equal bids is not located in Iowa. This provision shall only apply to items which may be purchased by quotation and does not apply to a contract for professional services or public improvement projects that are subject to Chapter 26 (Iowa Code).

#### 3.11 Local Preference

In cases where two or more bids, formal or informal, are equal in all aspects, preference shall be given to the local (Marion business) bidder. A City department making a purchase request may recommend the purchase of an item from a Marion business if it is slightly higher than the lowest bid or quotation and if the item's total cost is within the constraints of the line-item budget. The selection of a slightly higher quotation must be supported with written documentation that maintenance, accessibility, or service benefits make the purchase financially advantageous in the long run. This provision shall only apply to items which may be purchased by quotation and does not apply to a contract for professional services or public improvement projects that are subject to Chapter 26 (lowa Code).



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#### **SECTION 4 – PURCHASE ORDERS**

#### 4.1 Purchase Order Guidelines

- A. The department submits a purchase order requisition to obtain a PO. The requisition identifies the vendor, items, estimated cost, and the department's line-item account which will be used to pay for the item. A PO shall always be requested, and the PO number received by the department prior to charging any materials, supplies, or services to be billed to the City.
- B. Purchase orders:
  - Are required for purchases over \$5,000 (exceptions noted in section 4.2)
  - Can be submitted for purchases requiring a PO at vendor request.
  - Can be submitted for purchases at the department director request (for encumbrance).
- C. Upon approval, a purchase order will be issued. Unapproved POs/invoices or items missing supporting documentation will be considered incomplete and will not be paid. The Finance Department will return any incomplete items to the department for completion.
- D. For the Library, all purchase orders over the Department Director purchasing threshold, must be approved by the Library Director, Library Board and Finance Department. in addition to the applicable City approval routing.
- E. When the Information Technology department budgets for purchases that impact multiple departments, the Purchase Order will be considered budgeted if the total budget across all departments is greater than the total cost across all departments.

#### 4.2 Purchase Order Exceptions

Regardless of dollar threshold, the following purchases will not require a purchase order:

- Annual dues and membership renewals
- Subscription renewals
- Recording fees
- Budgeted rents and leases
- Utilities including setup fees (electric, water, sewer, garbage, gas, internet, and telephone, cable)
- Scheduled agency contributions
- Travel, training, and conference expenses including registration fees, hotel costs, meals and airfare and other transportation costs.
- Legal fees



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#### 4.3 Purchase Order Changes

- Department Director Authority Department directors are hereby authorized to approve contract change orders so long as the cumulative accumulative amount of change orders plus the original contract amount for any one contract does not exceed the department director's budgeted approval threshold.
- **City Manager Authority** Change orders that exceed the department director's threshold shall be approved by the City Manager up to the City Manager's budgeted approval threshold.
- **City Council Authority** Change orders that exceed the City Manager's approval threshold shall be approved by City Council.
- For public improvement projects over the project budget, all change orders will need to be approved by City Council. If the project is not over budget, the following process will be followed: The department director can approve cumulative changes of less than 10% of each vendor/contract award (for a project) up to \$150,000. If the change is greater than the threshold, then the change order shall be submitted to City Council for approval.
  - Finance will review all change orders monthly and provide dual authorization.
  - Credits are treated the same as charges (same process/same thresholds).
  - The same process is followed for expenses that have a reimbursable funding source.
  - Directors have the option of bringing change orders under the thresholds to City Council if they choose.

### 4.4 Purchase Order Vendor Change

- A. Shall a vendor be unable to meet a need due to an unforeseen circumstance, a change in vendor may be made without obtaining additional approval from City Council so long as the substitution does not involve a cost increase.

  Circumstances may include but are not limited to weather, natural disaster, equipment failure, or a supply issue.
- B. If the unforeseen circumstance causing a change in vendor involves a cost increase, the department directors are hereby authorized to approve changes in the purchase price so long as the aggregate amount of change for any one purchase does not exceed 10% of the original purchase price up to the department director approval threshold. If a change in vendor results in a change in purchase price of more than the department director's threshold or 10% of the original purchase price the purchase shall be approved by the City Manager up to the City Manager's approval threshold. If a change in vendor results in a change in purchase price more than the City Manager's approval threshold or 10% of the original purchase price it shall be approved by City Council.



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### SECTION 5 – EMERGENCY / URGENT NEED PURCHASES

#### 5.1 Definition of an Emergency/Urgent Need Purchase

An emergency/urgent need arises from a situation that occurs suddenly and unexpectedly and demands immediate action. One of the following conditions must exist:

- The situation threatens the public health, welfare, or safety.
- The department must act to preserve critical services or programs.
- The need is a result of events or circumstances not reasonably foreseeable.
- The situation creates a need to avoid, prevent, or alleviate serious harm or injury, financial or otherwise, to the City and the use of competitive procurements would prevent the urgent action required to address the situation.

#### 5.2 Guidelines for an Emergency/Urgent Need Purchase

No bids or proposals will be required for emergency/urgent need purchases unless:

- Failure to exercise reasonable planning or anticipation of routine needs is not justification for using emergency/urgent need procedures.
- If there is a conflict between the purchasing policy and Federal Emergency Management Agency (FEMA) guidelines, FEMA prevails.

#### 5.3 Emergency/Urgent Need Purchase Process

- A. Justification for the emergency purchase shall be communicated to and approved by the department director or their designee.
- B. Department director will notify the City Manager/Deputy City Manager and the Finance Director to obtain approval to proceed with purchase.
- C. A purchase order shall be submitted the following business day with the Emergency Form attached. with an explanation of the emergency/urgent need purchases.
- D. If the purchase meets the City Council approval threshold, the emergency/urgent need purchase shall be brought to the next Council meeting to ratify the purchase by resolution.



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### **SECTION 6 - TRANSACTIONS**

#### 6.1 Payment to vendors.

- A. A list of invoices shall be presented to City Council for approval prior to payment. This invoice listing shall include the name of the vendor, a brief description of items or services purchased, and the total value of the invoices.
- B. To maintain a good credit standing, some payments need to be made outside of the bi-monthly cycle (in the Friday Batch) and before Council can meet to specifically authorize payment of such expenses. Such payments include:
  - 1. Payroll, payroll taxes, allowances, stipends, and associated payroll liabilities, i.e., deductions or insurance. This would include employee benefit payments.
  - 2. Travel, training, and related expenses including but not limited to registration fees, hotel costs, meals, airfare, and other associated costs.
  - 3. Reimbursements to employees including but not limited to safety glasses, work boots, tuition reimbursement, recruitment expenses, etc.
  - 4. Employee physicals and medical expense
  - 5. Temporary employment agency services.
  - 6. Utilities (electric, water, sewer, garbage, gas, internet, cable, and telephone) including setup fees.
  - 7. Postal expenses
  - 8. Fuel purchases
  - 9. Bond-related payments including but not limited to: principal and interest payments, agent fees, and administrative costs.
  - 10. Audit filing fees
  - 11. Taxes including but not limited to sales tax, property tax, and hotel tax.
  - 12. Business credit card payments
  - 13. Reimbursements for overpayments
  - 14. Insurance premiums and claims (includes all insurances general property & liability, workers compensation)
  - 15. Insurable accident losses that have been reported to the City's insurance broker. Staff may use any of the available repair vendors recommended by the broker or currently used by the City for similar equipment.
  - 16. Landfill charges
  - 17. Court settlements
  - 18. Performance/event payments
  - 19. Housing assistance payments
  - 20. Disbursements relating to real estate transactions including but not limited to property purchases, easements, and right-of-way transactions.
  - 21. If a discount can be received or a penalty/late fee/adverse consequence can be avoided.



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- 22. Contractual obligations previously approved and authorized for payment by Council.
- 23. Invoices that are deemed important to be paid outside of the normal process may be approved to be paid before the bi-monthly cycle by the Finance Director.

#### 6.2 Sales Tax Exemptions

Under Iowa Law (Code of Iowa section 422.45.7), the City of Marion is exempt from tax in the case of sales of articles purchased for the City's exclusive use.

As a tax-exempt organization, the City of Marion shall ensure that payment of sales tax is minimized as much as practicable in purchasing decisions. Any taxes paid on the purchase shall not be eligible for reimbursement. In the event a purchase needs to be made in an emergency or at a time when the Finance department is unavailable, a variance to this policy may be made by the department head with the consent of the Finance Director.

Taxes for travel expenses such as lodging accommodations, vehicle rentals, and airfare may be paid due to the difficult nature of obtaining authorization from these industries and the taxes which can encompass more than a state sales tax but is not always broken down.

### 6.3 Noncompliance with Purchasing Policy

Noncompliance with these policies and procedures may result in nonpayment of vendor invoices, cancellation of purchase orders or purchasing privileges, or other sanctions as determined necessary after consultation with the department director and/or City Manager. Every effort shall be made to return any unauthorized transactions purchased on behalf of the City.

#### 6.4 Split Transactions

Transactions shall not be split into smaller parts to circumvent the dollar limitations and requirements of this policy.

### 6.5 Prepayment of Goods or Services

The City does not prepay for goods or services or utilize prepaid devices such as gift cards with the exception of utilities. If a vendor requires prepayment for goods or services, authorization must be obtained from the City Manager or the Finance Director.



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#### **SECTION 7 - PETTY CASH**

- A. The department director will assign a petty cash custodian/s who will be responsible for executing petty cash transactions and adhering to this policy. Expenditures from petty cash are limited to minor miscellaneous items costing less than \$30.00. Examples of such expenditures include postage and employee reimbursements of less than \$10.00. Petty cash shall not be used for travel and training expenses where a travel reimbursement form is needed. A receipt is required for all petty cash purchases and a Petty Cash Reimbursement Form must be properly completed.
- B. Starting cash drawer money is not considered petty cash and shall not be used to make purchases. The Finance Department must authorize any increases or decreases to a department's petty cash. The Finance Department shall keep on file a listing of departments who have petty cash, the amount of the petty cash, and the names of the petty cash custodian/s. Petty cash accounts shall be balanced with reimbursement requests and are subject to audit without notice by the Finance Director or designated representative. Requests for replenishment of department/division petty cash accounts shall be done at least twice per fiscal year.



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### **SECTION 8 – DISPOSAL OF SURPLUS PROPERTY**

#### 8.1 Purpose

This policy was developed to explain the City's process for disposing of surplus property. This policy shall not apply to real estate transactions when disposing of City property. It is critical to maintain documentation for audit purposes. The intent of the City Council and City staff is to maximize the City's resources through timely disposition of surplus property.

#### 8.2 Disposal of Surplus Property Responsibilities

- A. <u>Department Directors</u>: It shall be the responsibility of department directors to declare items as surplus property and to coordinate the disposal of non-technology related surplus in accordance with this policy.
- B. <u>I.T. Department</u>: The I.T. Department shall be responsible for the coordination and disposal of all technology-related surplus.
- C. <u>Deputy City Manager</u>: The Deputy City Manager shall make the final decision regarding the disposal of vehicles as defined in section 8.4.
- D. <u>City Employee</u>: It shall be the responsibility of the City employee disposing of City property to obtain the proper approvals prior to disposition.

### 8.3 Disposal of Surplus Property Guidelines

- A. The valuation of surplus property (excluding vehicles) shall be based on current estimated resale value.
- B. The purchasing thresholds in section 2.4 will be used to determine the authority level needed to dispose surplus property.
- C. Equipment/supplies acquired partially or fully with grant funds may have procedures for managing and disposal of such equipment. Documentation is required to be maintained by departments obtaining/administrating the grants in the grant files per the terms of the grant.
- D. <u>Caveat Emptor</u>: All surplus, seized, and unclaimed property is disposed of "as is" and "where is", with no warranty guarantee, or representation of any kind, expressed or implied, as to the condition, utility or useability of the property offered.

### 8.4 Vehicle Surplus Process

1. Department directors will provide a recommendation on what form of disposal they want to use for surplus vehicles to the Deputy City Manager (i.e. transfer to other departments, trade in, sale on GovDeals).



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- 2. The Deputy City Manager shall be responsible for making the final decision on the vehicle disposal method based on the needs of all City departments.
- 3. The department director or their designee shall be responsible for the coordination of the disposal process.
- 4. The <u>Insurance Vehicle-Equipment-Fine Arts Additions-Deletions-Transfers</u> form will be submitted to the finance department and City clerk.
- 5. The Capital Asset Disposal form will be submitted to the finance department.
- 6. For a vehicle transfer between departments, there will be no transfer of funds between department budgets.
- 7. The valuation of vehicles will be based on NADA.

#### 8.5 Approved Methods of Disposal

- A. <u>Transfer to Other Departments</u>: Surplus property may be transferred to another City department. The departments involved in the transfer shall exchange purchase information, service manuals and records, and all other applicable information regarding the property. The option to transfer City property shall be considered prior to looking at other options for disposal.
- B. <u>Trade-in of Surplus Property</u>: Surplus property may be used in trade if determined to provide maximum return for the City.
- C. Sale of Surplus Property:
  - 1. Surplus property may be sold via public auction, public internet auction, or public bid.
    - If sold via internet auction, property will be posted for auction at least two times with each auction lasting a minimum of 10 calendar days. If property does not sell after the second auction, the item may be recycled or thrown away.
    - City officials and employees are eligible to bid on property sold via auction or bid. However, City officials and employees shall not bid on property while on duty nor while acting in an official capacity of the City.
  - 2. Scrap metal may be sold through a reputable metals recycling dealer. Bids will be required when the purchasing thresholds in section 2.4 are met.
- D. <u>Cannibalizing</u>: Property may be disassembled and used for parts when determined to be the most cost-effective method of disposal for the City.
- E. Transfer to Other Public Agency or Charity:
  - 1. Property may be sold or transferred to another lowa public agency or charitable organization without competitive bid.
  - 2. The transfer of property, of any value, to a non-lowa public agency must first be approved by the City Council.



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- F. Transfer of Canine Ownership: If a police dog becomes disabled and is unfit for duty, or grows too old to be fit for duty, the officer to whom the animal is assigned may purchase the animal for one dollar upon council approval. A canine officer who leaves the department while the police dog is still fit for duty and is unable to be transferred to another Marion officer may be afforded the opportunity to purchase the animal, at the discretion of the Chief of Police, based upon such factors, including but not limited to, the age of the animal, estimated years of service remaining for the animal, original purchase price of the trained animal, estimated replacement costs, and additional funds expended to maintain the animal's health while it was actively working. The approval and price of the animal will be set by the City Council.
- G. Given in Recognition of Service: Personalized items which cannot be passed on to new employees or other employees may be used for service recognition and/or retirement gifts to the employees the items were assigned to. (Examples: fire helmet shield, fire gear identification swatch, embroidered uniforms, etc.)
- H. <u>Property Having No Value</u>: Property that has no practical salvage value and the cost of disposal is less than the administrative cost to dispose of using a different method, may be disposed of in the proper manner for the item. No property shall be given to or salvaged by City officials or employees.

### 8.6 Information Technology Disposal

All technology related items shall be routed to the I.T. Department to reliably erase the data, licensed software, and destroy the media in preparation for transfer, trade in, cannibalizing, or disposal. This includes, but not limited to, computers, laptops, tablets, keyboards, mice, servers, backup tapes, network devices, phones, printers, fax machines, copiers, scanners, external hard drives such as disks, SANS, optical media (e.g., DVD, CD), magnetic media (e.g., Tapes, diskettes), and non-volatile electronic media (e.g., memory sticks, SD cards). The City is committed to compliance with State and Federal statutes associated with the protection of confidential information as well as ensuring compliance with software licensing agreements and will use an environmentally thoughtful method of disposal for technology items.

The I.T. Department shall determine the method of disposal as outlined in this policy. For trade-in items, I.T. shall obtain a confidentiality agreement with any vendor receiving devices, or that must be replaced as part of a warranty or repair contract, but which cannot be erased for technical reasons. A certificate of destruction will be obtained by I.T. for technology that was outsourced for disposal.



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#### 8.7 Lost and Found

This policy does not apply to lost and found items. The City or individual departments may adopt separate lost and found policies or procedures as needed.

#### 8.8 Special Considerations for Disposal of Surplus Property

- A. <u>Real Estate</u>: Disposition of real estate of any interest in land requires a resolution of the City Council after published notice and public hearing in accordance with the Code of Iowa. All dispositions of real estate or land interest shall conform to existing Council policy and will be the responsibility of the City Attorney.
- B. <u>Seized and Unclaimed Property</u>: Seized and unclaimed property within the Police Department shall be handled and disposed of in accordance with applicable Federal, State, and local requirements.
- C. <u>Items Purchased with Grant Funds</u>: Items purchased with grant funds shall be disposed of in accordance with applicable grant requirements.
- D. <u>Library Materials</u>: Disposition of library materials will be determined by the Library Board. City Council approval is not required.
- E. <u>Certain Public Safety Items</u>: The Police and Fire Departments shall determine the method of disposal of certain items for which Public Safety is a concern. (Examples include but are not limited to firearms and bunker gear).

### 8.9 Unauthorized Personal Scrapping, Recycling or Disposal of Trash or Junk

- A. Transferring, selling, donating, scrapping, recycling, or disposing of property by City officials or employees for personal gain or to benefit the interest of any person or party other than the City of Marion, including handling and disposal of trash or junk except as directed by the City Manager is strictly forbidden.
- B. City officials and employees shall not claim ownership of, give away, recover, or salvage any materials abandoned, disposed or stored upon City premises, including trash or other materials, placed in, upon or in the vicinity of recycling or collection cans, dumpsters or bins located on City premises, or collection or debris piles, or other City storage or disposal facilities or refuse sites, and including any such facility or site belonging to any City tenant. Furthermore, City officials and employees shall not obtain property or the proceeds from the disposal of property designated or disposal as trash, scrap, or as recyclables, except as lawfully authorized by the City Manager. This prohibition includes giving any such property or proceeds to any person or party other than for the duly authorized benefit and interest of the City of



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Marion, or authorizing any other person or party to accept, receive or take any such surplus property to benefit their own interest, except as provided herein above.

- C. Disciplinary Action(s): Appropriate disciplinary action, up to and including termination, will be taken shall an employee or City official be found, through property investigation, to:
  - have failed to promptly remit to persons officially designated to receive proceeds, including cash or other consideration, from the sale of City property, as defined herein, including the proceeds from the sale, scrapping or recycling of any such property belonging to City tenants.
  - 2. have failed, in the performance of their duties, to promptly place in appropriate City containers, bins, dumpsters, or other collection facilities, equipment or containers, or have received, taken, given away, collected, stored, or retained in other than appropriate City containers, bins, or collection facilities, or dump sites, City scrap, recyclables, trash or any such surplus property belonging to City tenants.
  - 3. have engaged in selling, scrapping, recycling, or handling of City property in violation of this policy or the procedures set forth herein, including having engaged in any such activity for their personal interest or gain, or in aid of others doing the same for their respective interest or gain.
  - 4. have used City vehicles, facilities, or equipment to collect, store, or transport surplus property to sites, locations, or facilities, including the facilities of scrap vendors or recycling centers, except as specifically directed by the City Manager, in accordance with this policy and the procedures set forth herein.
  - 5. have failed to notify their department director in a prompt and timely manner after having observed any individual engaging in any of the above-described act(s) or having learned that such act(s) were being committed by other City employees.



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#### **SECTION 9 – PURCHASING CARD PROGRAM**

#### 9.1 Purpose

- A. It is the intent of the purchasing card (aka pCard) program to provide users with an effective and efficient way to simplify and expedite the process of paying numerous vendors for approved purchases while ensuring compliance with purchasing policies.
  - 1. The program is intended to provide documentation of purchases at the department level.
  - 2. The program is intended to eliminate record keeping for vendors and expedite payment for purchases.
  - 3. The program is intended to eliminate numerous credit application forms and related records required to set up and maintain charge accounts with infrequently used vendors.
  - 4. The use of pCards shall be in compliance with all other City policies. It is the responsibility of each cardholder to comply with these policies.
  - 5. This policy is subject to change or be modified by the City Council at any time.

#### 9.2 Roles and Responsibilities

- A. The conduct of all City employees must meet the highest ethical standards, and that standard is a part of the City's pCard program. All participants in the program are responsible for conducting themselves in such a way as to exemplify the public trust which they hold.
- B. Finance Director responsibilities:
  - 1. Oversee records of issuance, retrieval of pCards, and compliance with this policy.
  - 2. Approve cardholder's Purchasing Card Application and Account Change form (see Appendix xx).
  - 3. Set employee spending thresholds for a single transaction and the monthly cycle.
  - 4. Ensure accuracy of the statement and the activity and account information is noted on the pCard statement for each line of entry.
  - 5. Determine when an employee's spending limit shall be adjusted.
  - 6. Monitor employees' adherence to existing policies and take appropriate action when necessary.
  - 7. Ensure the balance, including interest due, on an extension of credit under the credit card arrangement shall be paid for within 30 days of the initial statement date or due date on the statement, whichever comes first.



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- 8. Ensure compliance with State of lowa records retention requirements for safekeeping of statements and receipts for five years.
- 9. Determine when a cardholder is no longer eligible for a pCard and notify the Purchasing Coordinator to cancel the pCard.
- 10. Oversees the City's overall budget.
- 11. Audit transactions for accuracy and completeness.

#### C. Finance Department – Purchasing Coordinator responsibilities:

- 1. Handle issues with the pCard provider and cardholders regarding compliance with program policies and changes in cardholder status.
- 2. Provide policy and procedure revisions to each department.
- 3. Coordinate the card application process and keep a record of all cardholders.
- 4. Establish and maintain company-wide pCard communication.
- 5. Develop and maintain program literature, user and training materials, and other related material.
- 6. Handle questions concerning payment procedures and transaction reports.
- 7. Serve as a liaison between the City and pCard provider.
- 8. Identify and drive future program applications and enhancements.

#### D. Department Director responsibilities:

- 1. Identify employees in the department requiring a pCard.
- 2. Oversee all pCards in their department.
- 3. Approve all transactions made using the pCard for their department.
- 4. Confirm that funds have been budgeted and are available for the items being purchased.
- 5. Ensure all transactions posted are legitimate purchases made by employees.

#### E. Human Resources responsibilities:

1. Notify the Purchasing Coordinator when a cardholder in the department/division is no longer eligible for the program or will no longer be participating in the pCard program.

#### F. Finance Department responsibilities:

- 1. Process payments in accordance with the program policies and the contract between the City and the pCard provider once the payment has been entered in by each department.
- 2. Ensure all transactions posted are legitimate purchases made by employees.
- 3. Audit transactions for accuracy and completeness.
- 4. Reconcile the monthly pCard statement.

#### G. <u>Department Administrator</u> responsibilities:

 Primary contact person for the Finance Department and the Purchasing Coordinator related to pCard matters for the department/s they represent.



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- 2. Coordinate the pCards in the department/s that they represent.
- 3. Ensure the cardholders review their statement and submit/provide detailed receipts for purchases.
- 4. Retain all detailed receipts for items purchased for the department until they are fully posted in the City's financial system.
- 5. Ensure detailed receipts and other applicable documentation (i.e. Purchasing Card Dispute form) are attached to each transaction in the pCard software before the transaction is submitted for approval to the department director.
- 6. Ensure all transactions posted are legitimate purchases made by employees.
- 7. Ensure that all costs are allocated to the appropriate general ledger accounts, all online reporting is complete, and transactions are approved by the department director within the timeframe defined by the Finance Department, or by month end, whichever is earlier.
- 8. Work with cardholders within their department/s to ensure disputes are resolved in a timely manner.
- Report any discrepancies, including disputes between the transaction report and transaction receipts to the Purchasing Coordinator within the timeframe defined by the Finance Department, or by month end, whichever is earlier.
- 10. Report any real or suspected variances from program policies to the Purchasing Coordinator and department director.
- 11. Keep all department cards (i.e. purchasing cards not issued to a specific cardholder) in a secure location and restrict access to them at all times.
- 12. If the card(s) checked out to the department/s are lost, stolen, or have fraudulent transactions identified, the purchasing card provider, department director, and the Purchasing Coordinator will be immediately notified by the department administrator, if the cardholder has not already done so.

#### H. Cardholder responsibilities:

- Comply with the City's purchasing policies including those involving travel, business, and other expenses outlined in the Purchasing Policy and Procedures Manual and Employee Handbook.
- 2. Understand that the City is liable to the purchasing card provider for all charges made on this card.
- 3. Use the pCard only for the purchase of goods or services for official City of Marion business.
- 4. Provide a detailed vendor sales receipt for each transaction by uploading into the pCard software or submitting it to the department administrator within the timeframe defined by the Finance Department or by month end, whichever is earlier.



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- 5. Upload associated receipts related to business travel and the Travel Authorization and Advance Part 1 Pre-Travel form (see Appendix xx) to the pCard software or provide them to the department administrator within the timeframe defined by the Finance Department upon return to the office from travel or by month end, whichever is earlier.
- 6. Ensure that funds have been properly budgeted and are available to pay for the items and/or services being purchased.
- 7. Keep informed about policy and procedure revision information.
- 8. Keep the pCard in a safe and restricted location at all times.
- 9. Verify the quantity and quality of the items and/or services purchased are following the agreement, whether verbal or written, with the vendor.
- 10. Ensure that all disputes are resolved in accordance with the program guidelines in a timely manner.
- 11. Notify vendors or merchants that the pCard transaction shall be exempt from Iowa Sales and Use Taxes (IRS Tax Identification # 42-6004932) if the pCard is used for the purchase of goods or services in the State of Iowa, and any such purchase shall be consistent with the City's Sales Tax Reimbursement Policy. The cardholder shall provide tax exempt documentation to the vendor.
- 12. Request a credit back to the card from the vendor if sales tax is charged in error by a vendor in the amount of the sales tax. Cash reimbursement is not acceptable.
- 13. Report any variances from program policies to the department director and Purchasing Coordinator.
- 14. Ensure the pCard is not used by anyone other than the assigned cardholder. The authorized cardholder can make purchases for other employees but shall not "loan" their card to anyone.
- 15. Immediately notify the pCard provider, department director, and the Purchasing Coordinator (in that order of priority) if the pCard is lost or stolen. See Section 9.8 for more information.
- 16. Agreement of all aspects of the Purchasing Policy and Procedures Manual Section 9 and understand any policy violations may be subject to progressive discipline (up to and including termination).
- 17. Personally liable for any improper use of the purchasing card. Personal or unauthorized charges will be reimbursed by the cardholder. The City may withhold improper charges, which have not been reimbursed, from any paycheck that is due to me.
- 18. As a cardholder, I am not responsible for improper charges that result from the use of a lost or stolen card that was immediately reported.
- 19. The City may withdraw authorization to use the purchasing card and require the return of the purchasing card at any time for any reason.
- 20. Upon resignation or departure from the City, the purchasing card will be returned to the department director and no further purchases will



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be made.

#### 9.3 Application and Card Issuance Process

- A. Specific full or part-time regular City employees shall be designated by their department director to be issued a pCard by submitting a completed Purchasing Card Application & Account Change form (see Appendix xx) to the Purchasing Coordinator. Where special circumstances warrant, a temporary/seasonal employee may be granted a pCard following a special request by a department director.
  - 1. City employees will relinquish current City issued credit cards and use the City issued pCards.
  - 2. All applications must be approved by the employee's department director and the Finance Director.
- B. Applicants shall attend the mandatory pCard training prior to issuance of a pCard. Each card applicant will be provided with a copy of the purchasing policy at the mandatory training session.
- C. After completion of training and submission of the Purchasing Card Cardholder Agreement (see Appendix xx) and/or Purchasing Card Department Administrator Agreement form/s (see Appendix xx), the pCard will be provided to the employee.
- D. Seasonal employees that return are required to attend the pCard training session annually.

#### 9.4 Security

- A. PCards are the property of the City of Marion.
- B. It is the responsibility of the cardholder to keep the card in a safe location.
- C. Carrying cards permanently with personal cards is strongly discouraged. City cards shall be kept in a secure place and only accessed when needed.
- D. Cards shall only be used by the employee assigned to the card. The authorized cardholder can make a purchase for another employee but shall not "loan" their card to anyone.
- E. Lost or stolen cards shall be immediately reported to the pCard company, department director, and the Purchasing Coordinator (in that order of priority). See Section 9.8 for more information.
- F. Cardholders shall return their pCard to the Purchasing Coordinator when employment with the City is terminated. The City may withhold any amount of improper charges for reimbursement.
- G. Cardholders will discontinue use of the pCard upon providing notice of separation of employment, unless authorized by the department



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director.

H. Any card may be withdrawn from the program for real or suspected misuse or noncompliance. All card activity will be subject to internal and external audit for compliance with this policy.

#### 9.5 Credit Limits

- A. Department directors will recommend purchase limits for cardholders in their respective departments.
- B. pCards shall carry no more than a \$10,000 single card transaction limit, and no more than a \$15,000 per billing cycle limit unless approved by the Finance Director.
- C. Transactions shall not be split into multiple transactions in order to circumvent this policy.

#### 9.6 Unauthorized Purchases on the City Purchasing Card

- A. The pCard shall not be used for the following types of transactions:
  - 1. Cash advance.
  - 2. Purchase of alcoholic beverages.
  - 3. Travel-related expenses related to spouses or other non-covered persons.
  - 4. Items for personal use that would not be reimbursable by the City.
  - 5. Rental or lease of land or buildings.
  - 6. Rental or lease of motor vehicles unless pre-approved in conjunction with travel expenses.
  - 7. Video rentals or "On Your Honor" bar purchases provided in hotel rooms.
  - 8. Entertainment (except as specifically authorized for Councilsponsored events, economic development activities, and recreation programming events).
- B. The City pCard shall not be used for personal identification or as a personal credit reference.
- C. Personal expenses processed on a City pCard are considered to be in violation of the program policies and are subject to disciplinary action up to cardholder termination.
- D. Transaction receipts may not be divided to allow for a different method of payment for personal expenses; each transaction shall have a separate receipt showing the total transaction amount.



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#### 9.7 Use of Card and Transaction Records

- A. <u>Receipts and Invoices</u>: A detailed receipt or invoice from the vendor, or other verifying document must support each purchase transaction and be uploaded to the transaction in the pCard software.
- B. <u>Missing Receipt or Invoice</u>: If a receipt or invoice is unavailable, a Written Statement for Missing Purchasing Card Receipt or Invoice form (see Appendix xx) must be completed, signed, and uploaded to the transaction in the pCard software.
- C. <u>Unauthorized purchase</u>: If a purchase is made in error that is not allowed on the pCard, the item shall be returned, if possible. If it is not possible to return the unauthorized purchase, a Written Statement for Unauthorized Purchases on the City Purchasing Card form (see Appendix xx) must be completed, signed, and uploaded to the transaction in the pCard software along with the detail receipt.
- D. <u>Conference, Training, and Travel Transactions</u>: Cardholders shall confirm budget approval prior to using pCards for conference, training, or travel purposes. The Travel Authorization and Advance Part 1 Pre-Travel form (see Appendix xx) with the department head signature must be uploaded to the transaction in the pCard software along with a detailed receipt.
- E. <u>Pickup/In-Person Orders</u>: Cardholders may use pCards in accordance with the policies at places of business accepting the pCards.
- F. Delivery Orders: All delivery locations shall be official City facilities.
- G. <u>Cardholder Verification</u>: Each cardholder shall be responsible for verifying documentation of each transaction during each billing period.
- H. <u>Purchase Order</u>: Transactions over the current City purchase order threshold will require a purchase order number to be entered in the pCard software for each applicable transaction.
- Project: Transactions associated with a project will require a project number/name to be entered in the pCard software for each applicable transaction.

#### 9.8 Lost or Stolen Cards

Lost or stolen cards or any suspected fraudulent transactions must be reported immediately to pCard provider (phone number located on the cityofmarion.org website under Employee Self Service). In addition, the department director and Purchasing Coordinator shall be notified as soon as possible. The card will be automatically suspended, and a new card will be sent to the Purchasing Coordinator.

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 charge card,



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you will no longer be able to use the account number after notifying the pCard provider. A new card will be issued within 10 business days.

#### 9.9 Payment

- A. <u>Signature Authority</u>: The approval of the department director and the Finance Department must be entered for each transaction for processing.
- B. The Finance Department will process payments in accordance with the program policies and procedures, and the contract between the City and the pCard provider.

#### 9.10 Disputed Charges

It is the responsibility of each cardholder to resolve any discrepancies for their card and the transaction records within the timeframe defined by the Finance Department or by month end, whichever is earlier. The following procedures shall be followed:

- A. It is the cardholder's responsibility to try to correct the error with the vendor.
- B. The cardholder must complete the Purchasing Card Dispute form (see Appendix xx). The form, along with the detailed receipt, shall be uploaded to the transaction in the pCard software to explain the situation in the month the transaction is posted.
- C. The cardholder or department administrator is responsible for pursuing the resolution of the disputed charge until resolved.
- D. If an item was returned to the vendor, but the credit is not received during the same billing cycle as the charge, the item must be expensed to the department during the current period; the charge shall be reversed when the credit appears.

#### 9.11 Emergency Use of Cards

During a City declared-emergency event, typically signified by the initiation of the City's Emergency Operations Plan, the use of any pCards in this program may be used for any purpose deemed appropriate by the Emergency Operation Center (EOC) command staff.

#### 9.12 Program Violations

City employees shall adhere to all rules outlined in the Purchasing Policy and Procedures Manual; an employee is subject to progressive discipline (up to and including termination) for any violations. The department director will partner with Human Resources pursuant to City Personnel Policy, Section 5.02. Policy violation examples are as follows:

A. <u>Unauthorized Purchases</u>: The department administrator shall report all



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unauthorized purchases to the department director and the Purchasing Coordinator.

- B. <u>Unacceptable Documentation</u>: Cardholders will provide additional documentation upon notification to do so by the department administrator, department director, or Finance Department.
- C. <u>Late submission</u> of pCard receipts and applicable forms and/or <u>failure to</u> resolve disputes.



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#### **SECTION 10 – APPENDIX**

#### 10.1 Purchasing Card - Cardholder Agreement

This form is subject to change and should be retrieved from S:\Forms\Finance Forms for the most recent version.



I have been designated to receive a purchasing card with the City of Marion. As a purchasing cardholder, I agree to comply with the following terms regarding the safekeeping and administration of my card:

- I understand that I am being entrusted with a valuable tool a purchasing card. I will be making
  financial commitments on behalf of the City. I will obtain the best value by complying with the
  City's purchasing policies including those involving travel, business, and other expenses outlined
  in the Purchasing Policy and Procedures Manual and Employee Handbook.
- I understand that the City is liable to the purchasing card provider for all charges made on this card.
- I understand that the use of the purchasing card shall only be for the purchase of goods or services for official City of Marion business.
- 4. I agree to provide a detailed vendor sales receipt for each transaction by uploading into the purchasing card software or submitting it to the department administrator within the timeframe defined by the Finance Department or by month end, whichever is earlier.
- If on business travel, I agree to upload detailed receipts into the purchasing card software or submit it to the department administrator within the timeframe defined by the Finance Department upon my return to the office from travel or by month end, whichever is earlier.
- For purchases associated with travel, I agree to upload (or provide to the department administrator to upload) the Travel Authorization and Advance Part 1 – Pre-Travel form that has been signed by the department head along with the detailed receipt.
- I agree to ensure that funds are budgeted and are available to pay for the items and/or services being purchased.
- 8. I agree to keep informed about policy and procedure revision information.
- 9. I understand that I shall keep the purchasing card in a safe and restricted location at all times.
- 10. I agree to verify the quantity and quality of the items and/or services purchased are following the agreement, whether verbal or written, with the vendor.
- 11. I will ensure that all disputes are resolved in accordance with the program guidelines in a timely manner.
- 12. I understand it is my responsibility to notify vendors or merchants that the purchasing card transaction shall be exempt from lowa Sales and Use Taxes (IRS Tax Identification # 42-6004932). I agree to provide tax exempt documentation to the vendor.
- 13. I understand it is my responsibility if sales tax is charged in error by a vendor, to request a credit back to the card from the vendor in the amount of the sales tax. Cash reimbursement is not acceptable.

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- I agree to report any variances from program policies to the department director and Purchasing Coordinator.
- 15. I agree to ensure the purchasing card is not used by anyone other than the assigned cardholder. The authorized cardholder can make purchases for other employees but shall not "loan" their card to anyone.
- 16. I understand it is my responsibility to notify the purchasing card provider, department director, and the Purchasing Coordinator (in that order of priority) if the purchasing card is lost or stolen. These telephone numbers have been provided to me.
- 17. I agree with all aspects of the Purchasing Policy and Procedures Manual section 9 and understand any policy violations may be subject to progressive discipline (up to and including termination).
- Pursuant to Iowa Code Section 91A.5, I agree that the City may withhold any amount of improper charges which I've not already reimbursed the City for through payroll deduction.
- As a cardholder, I am not responsible for improper charges that result from the use of a lost or stolen card that was immediately reported.
- 20. I understand that the City may withdraw authorization to use the purchasing card and require the return of the purchasing card at any time for any reason.
- 21. I understand that upon resignation or departure from the City, the purchasing card will be returned to my director and no further purchases will be made.

My signature below acknowledges that I have read, understand, and agree to comply with the terms and conditions as spelled out in the City of Marion Purchasing Policy and Procedures Manual, and I agree to withholdings pursuant to point 18 in this agreement. I accept the obligations and responsibilities associated with my electing to receive a purchasing card.

Cycle/Transaction Limit/

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### 10.2 Purchasing Card – Department Administrator Agreement

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#### Purchasing Card – Department Administrator Agreement

I have been designated as the purchasing card department administrator. As the purchasing card department administrator, I agree to comply with the following terms regarding the safekeeping and administration of department purchasing card(s):

- I understand that I am the primary contact person for the Finance Department and the Purchasing Coordinator related to purchasing card matters for the department/s that I represent.
- I am responsible for the coordination of the purchasing card in the department/s that I represent.
- I will ensure that cardholders review their statement and submit/provide detailed receipts for purchases.
- I will retain all paper documentation for each purchasing card transaction until the transaction is fully posted in the City's financial system.
- I will ensure detailed receipts and other applicable documentation (i.e. Purchasing Card Dispute form) are attached to each transaction in the purchasing card software before the transaction is submitted for approval to the department director.
- It is my responsibility to review all transactions posted are legitimate purchases made by employees.
- 7. I will ensure that all costs are allocated to the appropriate general ledger accounts, all online reporting is complete, and transactions are approved by the department director within the timeframe defined by the Finance Department, or by month end, whichever is earlier.
- I agree to work with cardholders within my department/s to ensure disputes are resolved in a timely manner.
- I am responsible for reporting any discrepancies, including disputes between the transaction report and transaction receipts to the Purchasing Coordinator within the timeframe defined by the Finance Department., or by month end, whichever is earlier.
- 10. It is my responsibility to report any real or suspected variances from the purchasing card program to the Purchasing Coordinator and department director.
- 11. It is my responsibility to keep all department cards (i.e. purchasing cards not issued to a specific cardholder) in a safe location and restrict access to them at all times.

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#### Purchasing Card – Department Administrator Agreement

12. If the card(s) checked out to my department/s are lost, stolen, or fraudulent transactions are identified, I agree to notify the purchasing card provider, the department director, and the Purchasing Coordinator immediately, if the cardholder has not already done so. These telephone numbers have been provided to me.

My signature below acknowledges that I have read, understand, and agree to comply with the terms and conditions as spelled out in the City of Marion Purchasing Policy and Procedures Manual. I accept the obligations and responsibilities associated with being a purchasing card department administrator.

Employee Name	
Employee Signature	
., , ,	
Department Name	Date

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10.3 Purchasing Card Application and Account Change Form

	Ma	RION		
	Purchas	ing Card		
Appli	ication and Ac	•	Form	
is form shall be completed when the should be completed by the dep	nere is a new/chang partment director an	e/or cancellation to d emailed to <u>Purcha</u>	an employee purchas sing@cityofmarion.or	ing card. Thi g.
□New Enrollment	□Change to Er	rollment	□Account Cancella	ation
Full Name of Cardholder (first, middle initial, last):				
Job Title:		Department I	Name:	
Desk Phone Number:		Cell Phone N	umber:	
Work Email Address:				
Department Administrator Name for the purchasing card:				
Account Authorization and L	imits (to be comp	leted by departm	ent director or desi	ignee)
Single Purchase Limit Amount:				
Billing Cycle Limit Amount:				
Comments:				
Account Cancellation (to be	completed by dep	partment director	or designee)	
Account Cancellation (to be Cancellation date:	completed by dep	partment director	or designee)	
	completed by dep	partment director	or designee)	
Cancellation date:		partment director	or designee)	
Cancellation date:		partment director	or designee)	
Cancellation date:  Approved by:  Department Direct			or designee)	
Cancellation date:  Approved by:  Department Direct  Approved by:	tor or designee		or designee)	
Cancellation date:  Approved by:  Department Direct	tor or designee	Date	or designee)	
Cancellation date:  Approved by:  Department Direct  Approved by:	tor or designee	Date	or designee)	
Cancellation date:  Approved by:  Department Direct  Approved by:	tor or designee	Date	or designee)	
Approved by:  Department Direct  Approved by:  Finance Director of	tor or designee or designee	Date	or designee)	
Approved by:  Department Direct  Approved by:  Finance Director of	tor or designee or designee ministration Use	Date Date		
Approved by:  Department Direct  Approved by:  Finance Director of	tor or designee or designee ministration Use	Date Date	or designee)	



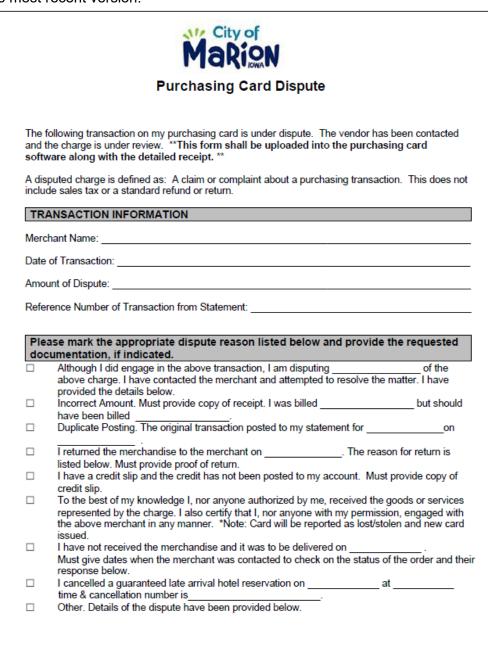
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#### 10.4 Purchasing Card Dispute

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#### **Purchasing Card Dispute**

ADDITIONAL INFORMATION REGARDING THE D	ISPUTED CHARGE
Printed Name of Employee:	Denartment:
Employee Signature:	
Printed Name of Director:	
Director Signature:	
Last 4 digits of Card:	



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### 10.5 Written Statement for Missing Purchasing Card Receipt or Invoice

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#### Written Statement for Missing Purchasing Card Receipt or Invoice

I acknowledge that I have not provided a receipt or invoice in accordance with City Purchasing Card Policy and Procedures Manual Section 9.7 Use of Card and Transaction Records. I understand that the City uses receipts to document the type of expense, the appropriateness of the expense, and the reasonableness of the expense. In lieu of the required receipt, I will attest with my signature below that the item(s) purchased, or service provided was a City business expense and that there were no prohibited purchases or taxes included in the purchase.

This form shall be uploaded into the purchasing card software.

Date of Purchase:	
Amount of Purchase:	
Vendor Purchased From:	
Description of Purchase (detailed):	
Printed Name of Employee:	Department:
Employee Signature:	Date:
Printed Name of Director:	
	Date:
Last 4 digits of Card:	

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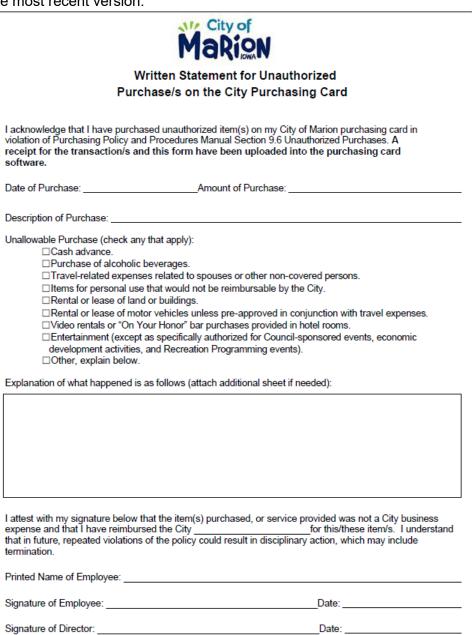


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### 10.6 Written Statement for Unauthorized Purchases on the City Purchasing Card

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### 10.7 Travel Authorization and Advance Part 1 – Pre-Travel

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	City of aRION	City of Marion Travel Authorization and Advance Part 1 - Pre-Travel	Finance Use: Date Part 2 Sent=	
		enses incurred (or estimated to be incurred) prior to travel for expenses incurred during travel) will be forwarded to y		
Nan	ne and Department:			
	tination and Purpose:			
Tra	vel Dates:			
Sec	tion I: Estimated/Pre-Paid E	mployee Expenses (Cash Advance to Employee. At	tach Documentation	)
		re-paid expenses payable to employee.		
		Description	Amount	Finance Use
Tran	nsportation:			
	Airfare:			
	Mileage (Personal Vehicle):	Miles x Mileage Rate	\$ 0.00	
Lod	ging:			
Mea	ls Per Diem: (City Total)	:Breakfasts ::Lunches ::Dinners	\$ 0.00	
_	er (Please Specify):			
Othe	er (Please Specify):			
		Total Section I (C):	\$ 0.00	
Sec	tion II: Pre-Trip Expenses (P	aid by/Billed to City of Marion. Attach Documentation.)		
If pa	id by City Credit Card, only need t	o list Vendor name as "Visa - Farmers State Bank."		
Pay	able To		Amount	Finance Use
ion	Vendor 1:			
trat	Address:			Invoice to Follow
Registration	City/State/Zip:		-	Mail Check
œ	Account #:			Check to Dept
	Vendor 2:			
Airfare	Address:			Invoice to Follow
Ā	City/State/Zip:		-	Mail Check
$\vdash$	Account #:			Check to Dept
	Vendor 3:			I
Hotel	Address:		-	Invoice to Follow
_	City/State/Zip: Account #:		-	Mail Check
$\vdash$				Check to Dept
L	Vendor 4:		-	Investor to Fallery
Other	Address:		-	Invoice to Follow
0	City/State/Zip: Account #:		+	Mail Check Check to Dept
	Account #.	Total Section II (D):	\$ 0.00	Circuit to Dept
			\$ 0.00	
	tion III: Approval Signatures			
		f expenses incurred (or expected to be incurred) in conju	nction with services	performed for the City
of M	arion, IA. Employee:		Date:	
	Department Head:		Date:	
	City Manager:		Date:	
۸	Approved for Payment:			
App	roved for Payment: Finance Director:		Date:	
	I mance Director.		_ Date.	



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### 10.8 Purchasing Card – Temporary Threshold Change

This form is subject to change and should be retrieved from S:\Forms\Finance Forms\City of Marion – Purchasing Card Temporary Threshold Change Form – editable.



#### **Purchasing Card - Temporary Threshold Change**

This form shall be completed by the Cardholder or Department Administrator for temporary increases in the

CAF	RDHOLDER INFORMA	ATION		
Cardholder Name:				
Department Name:				
Work Desk Phone Number:				
Cardholder Account Number (last 4 digit	s)			
TEMPORA	ARY THRESHOLD INF	ORMATIO	N	
Current Single Transaction Limit:				
Requested Single Transaction Limit:				
Effective Date Requested:				
Current Monthly Maximum Limit:				
Requested Monthly Maximum Limit.				
Requested Monthly Maximum Limit.  Effective Date Requested:				
	IDOLLAGE INFORMAT	TION		
PC	JRCHASE INFORMAT	ION		
Vendor Name:				
Purchase Amount:				
Additional Expected Future Purchase				
Total, if applicable (for this statement	period):			
Reason for Request:				
CARRUE	N DED SIGNATURE	DECLUBED		
CARDHO (Program Administrate	OLDER SIGNATURE F or will obtain the Fina			
MINION				
Approved by:				
Cardholder Signature	Da	ite		
America d burn				
Approved by: Finance Director or Desi	anee Signature D	ate		
	grice orginature Da	ate		
Theree Director of Desi				
	OGRAM ADMINISTRA	ATOR		



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#### **SECTION 11 - HISTORY OF CHANGES**

- Adoption of Purchasing Card Policy (Sections 9 and 10) Resolution 31798 2/22/2024
- Adoption of Purchasing Policy and Procedures Manual Resolution 31420 6/08/2023
   Section 9 – Purchasing Card Program was added.
- Adoption of the revised Purchasing Policy Resolution 32027 8/08/2024

The following sections were revised:

- 1.3 Responsibilities
- 1.4 Definitions
- 2.4 Budgeted Purchase Approval Threshold
- 2.5 Unbudgeted Purchase Approval Threshold
- 3.3 Contracts
- 4.1 Purchase Order Guidelines
- 4.2 Purchase Order Exceptions
- 4.3 Purchase Order Changes
- 5.3 Emergency/Urgent Need Purchase Process
- 6.1 Payment to vendors
- 6.2 Sales Tax Exemptions
- 8.5 Approved Methods of Disposal Transfer of Canine Ownership
- 10.8 Purchasing Card Temporary Threshold Change form