



Legislation Text

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Report to Mayor and City Council

Tuesday, July 18, 2017

Consent

SUBJECT:

CONSIDER ADOPTING RESOLUTION 17-094, AUTHORIZING ISSUANCE OF CITY CREDIT CARDS TO SPECIFIC CITY EMPLOYEES AND RESCINDING RESOLUTION NO. 81-242 (CITY COUNCIL)

I. SUMMARY

The purpose of this agenda item is to consider authorizing the issuance of City credit cards to specific City employees.

II. RECOMMENDATION

ADOPT Resolution No. 17-094, AUTHORIZING ISSUANCE OF CITY CREDIT CARDS TO SPECIFIC CITY EMPLOYEES AND RESCINDING RESOLUTION NO. 81-242.

III. ALTERNATIVES

TAKE another action deemed appropriate by City Council.

IV. BACKGROUND

In 1981, the City Council adopted Resolution No. 81-242 authorizing the City Administrator, Acting City Administrator and selected city officials to have city credit cards and the Mayor to sign credit card applications (see Exhibit B).

Currently, two City credit cards have been issued: one to the City Manager and one to the Deputy City Treasurer. The City Manager's credit card is typically used for purchases that require a credit card. Recent examples include business travel for the Community Development Director and online renewal of a software license. The Deputy City Treasurer's card is typically used for City Council conference and travel expenditures.

Many of the City's vendors accept a City purchase order, and bill the City for payment. However, some purchases cannot be made using a City purchase order. Examples

include software license renewals, travel tickets, and purchases of specific items at retail stores such as Walmart. In addition, many online retailers do not accept City purchase orders. With the proliferation of online retailers and the resulting competition, the City can sometimes purchase goods at the best price online.

For the reasons stated above, staff recommends the City Council consider adopting the proposed resolution; which would rescind the 1981 resolution and authorize the issuance of City credit cards to the following list of City employees.

- City Manager
- Deputy City Treasurer
- Purchasing Manager
- Buyers (2 employees)

Staff has prepared a draft Administrative Policy & Procedure 2.6.01, titled *Purchasing Cards Issued to City Employees*. The draft policy covers cardholder responsibilities and prohibited uses; and includes a User Agreement to be signed by the employee. Users would be required to follow the City's purchasing ordinance for all purchases. The City credit card would simply be used for payment.

The City Controller and Deputy City Treasurer have reviewed the draft policy and made specific recommendations to prevent potential fraudulent uses of City issued credit cards.

V. FISCAL IMPACT

There is no fiscal impact associated with the recommendation. All purchases are subject to the City's Purchasing Ordinance and the approved annual budget.

VI. EXHIBITS

- A. Resolution No. 17-094, AUTHORIZING ISSUANCE OF CITY CREDIT CARDS TO SPECIFIC CITY EMPLOYEES AND RESCINDING RESOLUTION NO. 81-242 (pages 3-4)
- B. Resolution No. 81-242, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON AUTHORIZING THE CITY ADMINISTRATOR, ACTING CITY ADMINISTRATOR AND SELECTED CITY OFFICIALS TO HAVE CITY CREDIT CARDS AND THE MAYOR TO SIGN CREDIT CARD APPLICATIONS (page 5)

A.

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