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SPECIAL OPERATIONS: PROCUREMENT CARD PROCEDURES, STANDARD INSTRUCTION 02, SECTION 20

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I. PURPOSE

This policy is designed to provide guidelines for the use of Procurement Cards (P-Cards) by Operations battalion chiefs.

P-Cards issued to battalion chiefs shall be used to provide support during emergency operations and situations where it would be impractical for the Logistics Division to provide this service.

II. SCOPE

This policy will apply only to San Diego Fire-Rescue Department Operations Battalion Chiefs.

III. AUTHORITY

P-Cards shall be issued, tracked and maintained by the Fire Logistics Division.

The Director of Logistics, in consultation with the Assistant Chief of Operations, the Assistant Chief of Administration and the Administrative Services Director, determines all P-Card acceptable uses.

IV. P-CARD PROCEDURES

A. Responsibility

1. P-Cards shall be issued to each Operations Battalion Chief once they have completed the proper paperwork and the City-sponsored P-Card training.
2. Each battalion chief will be provided a P-Card with a five-thousand dollar (\$5000.000) per month spending limit
3. Any purchases in excess of \$5000.00 per month must be approved by the on-duty Shift Commander or Director of Logistics.
 - a. The Shift Commander or Director of Logistics will then contact the Fire Logistics Account Clerk.
 - b. If the Fire Logistics Account Clerk is unavailable, the on-duty Shift Commander or Director of Logistics will contact the City

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Purchasing Department at the general number, (619) 236-6000, and request the P-Card Administrator.

4. All P-Card statements shall be forwarded to the Fire Logistics Account Clerk, via the respective Shift Commander, by the 27th of each month for processing.
 - a. The Shift Commander ***will not sign the form*** but will initial that they have approved the documented purchases.
 - b. If for any reason a battalion chief cannot meet this submission deadline (i.e. strike team deployment, vacation etc.) the on-duty Shift Commander or Director of Logistics should be contacted as soon as practical
 - 1) The on-duty Shift Commander or Director of Logistics shall ensure the Fire Logistics Account Clerk is notified immediately
5. All statements shall be given final approval by the Logistics Deputy Chief.
6. Accountability for the authorized use of the P-Card will reside with the individual user.
7. Each user of the P-Card shall ensure that all City and Department rules and regulations are followed with regards to types and amounts of purchases.
8. The user of the P-Card shall ensure the end of the month processing is completed timely and accurately.
9. P-Cards shall not be used by Operations Battalion Chiefs as a replacement for normal Logistics functions.
10. P-Cards shall not be used for the purchase of items that would normally go through a formal budget and approval process.
11. P-Cards shall not be used for purchases where there is currently a process in place to make those purchases. (i.e. Purchase Orders at certain vendors)
12. P-cards shall not be used for any personal purchases.

B. Accepted Uses

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Use of P-Cards is accepted during a strike team deployment or other large scale incident or disaster where it is either impractical or impossible to be supported by the normal Logistic procedures.

Examples of acceptable uses include:

1. Meals during strike team assignments
2. Emergency meals during extended incidents
 - a. Conforming with the current meal reimbursement policy, including dollar amounts for emergency meals
3. Emergency vehicle repairs during, enroute, or returning from strike team assignments
 - a. If the incident is unable to fulfill a request for repair, the requesting Strike Team Leader or Agency Representative shall contact the on-duty Shift Commander or Director of Logistics immediately
 - 1) The on-duty Shift Commander or Director of Logistics shall contact the Fleet Liaison Officer prior to authorizing any arrangements for repair.
 - b. The Fleet Liaison Officer will authorize any expenditure for apparatus repair and the means of payment.
 - 1) NOTE: Per the California Fire Assistance Agreement (CFAA), Page A-6, Section A-20, Reimbursement - Support Equipment and Privately Owned Vehicles, "*local jurisdictions shall assume operational costs, including necessary motor fuels and lubricants used in its apparatus and support equipment while responding to and returning from Forest Agency incidents. It shall be the responsibility of the responding jurisdiction to provide the necessary means of payment for such costs*".
 - c. Refer to Standard Instruction 02, Section V (Fire Suppression: Emergencies Involving Mutual Aid) for additional information regarding travel procedures during Strike Team deployments
4. Lodging during strike team assignments

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- a. In the event lodging is not approved and reimbursable through the incident, the requesting Strike Team Leader or Agency Representative must receive approval by the on-duty Shift Commander or Director of Logistics prior to charging lodging costs to a P-Card
 - b. Any lodging costs approved by the on-duty Shift Commander or Director of Logistics, which have not been authorized or approved by the incident or OES will likely cause the City to incur the costs
 - 1) Refer to Standard Instruction 02, Section V (Fire Suppression: Emergencies Involving Mutual Aid) for additional information regarding lodging during Strike Team deployments
5. Water or other hydration products during strike team assignment or during large scale City emergencies, in the event it is impractical for the Logistics Division to provide this service.
 - a. P-Cards should not be used for normal day-to-day water or sport drink purchases. Current policies for these purchases shall be followed.
6. Apparatus fueling **ONLY** after expense limits have been reached on the fuel cards assigned to the apparatus and battalion chief.

C. Non-Accepted Uses

P-Card use is not accepted for any non-emergency, in-City purchase that would be deemed practical for the Logistics Division to supply and has not been pre-authorized by the Assistant Chief of Operations or the Director of Logistics or their designee.

Examples of non-accepted uses include:

1. Equipment or supplies for station repairs
2. Lodging, when the incident has lodging available, or no Department approval has been given by the on-duty Shift Commander or Director of Logistics, or OES
3. Travel, airline tickets or other training related travel expenses

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4. Gift cards, alcohol, and any services involving labor
5. Any purchase that would be deemed unauthorized according to City Purchasing P-Card policies

D. Authorization Process

This policy is not meant to address every eventuality; however, it does provide guidelines for what are considered acceptable and non-acceptable uses of the Department issued P-Card.

Because a certain purchase falls under the category of non-accepted use does not mean that it absolutely cannot be purchased, but only that there must be pre-authorization by the Director of Logistics, in consultation with the Assistant Chief of Operations and the Administrative Services Director or their designee.

1. If in doubt as to any purchase, it is strongly advised that the battalion chief confer with their respective Shift Commander or Director of Logistics to get pre-authorization.
2. The battalion chief will be responsible for any unauthorized, unapproved purchases on the P-Card.
3. In the case of purposeful fraudulent activity or theft, the user of the P-Card can be held criminally liable.
4. The battalion chief should immediately report a lost, misplaced or stolen card to their respective Shift Commander.
 - a. The Shift Commander will immediately notify the Fire Logistics Account Clerk, who will ensure that the proper notifications are made.
 - b. If the Fire Logistics Account Clerk is unavailable, the on-duty Shift Commander will contact the City Purchasing Department at the general number (619) 236-6000 and ask for the P-Card administrator.

E. End of Month Processing Requirements

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The following end of month processing procedures should be followed by all P-Card users:

1. The P-Card user is responsible for filling out a Cardholder Transaction and Use Tax log.
 - a. All receipts must accompany this log.
2. Once the log has been filled out, it shall be forwarded immediately to the Logistics Account Clerk at MS 15.
3. Deadline for receipt of log is the 27th of each month.
 - a. If the 27th falls on a weekend day, the log will be due on the following business day.
 - b. Timeliness is vital as there are penalties for late submissions to the City Purchasing Department.
 - c. For situations, beyond the control of the user, which would cause a delay in submission, contact the on-duty Shift Commander or Director of Logistics as soon as practical
 - 1) The on-duty Shift Commander or Director of Logistics will contact the Fire Logistics Account Clerk
4. To ensure accuracy, it is in the best interest of the user to fill out the log as purchases occur.

F. Billing Cycle

1. The billing period for P-Cards issued to the City of San Diego ends on the 22nd of each month.
2. On the day after a billing cycle closes, US Bank issues statements and invoices which can be printed from the website; (<https://access.usbank.com>).
3. US Bank will not issue a statement unless a transaction was posted during the billing cycle.
 - a. If the billing cycle ends on a weekend day, it may take up to two business days for the statement to appear online

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G. Cardholder Transaction and Use Tax Log

Each P-Card user shall maintain a Cardholder Transaction and Use Tax Log. This form serves as a register of all transactions and related events, including purchases, use tax, returns, quote solicitations, and dispute discussions.

The following review process shall be followed each month:

1. The P-Card user shall attach the completed Cardholder Transaction and Use Tax Log to the monthly statement and forward to the respective Shift Commander.
2. The Shift Commander shall review and forward the form to the Director of Logistics
3. The Director of Logistics shall review and sign the form during reconciliation.

H. Use Tax

1. Use Tax is imposed on goods purchased in another state and used in the taxing state; it's intended to make up for the loss of sales tax.
 - a. California's use tax rate is currently 8.75%.
2. Even though goods are purchased out-of-state, tax is still due to the state of California.
3. If the vendor has a California tax permit, the vendor may collect California sales tax at the time of purchase.
 - a. The P-Card user should inquire if this method is available and verify the tax is itemized on the receipt.
4. By law, if a seller does not collect California Sales Tax, the buyer must remit Use Tax.
5. The P-Card user should list such purchases on the Cardholder Transaction and Use Tax Log.
6. The City Auditor will ensure payment of Use Taxes to the State Board of Equalization.

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7. Additional information can be found on the Purchasing Department's web page for further FAQ's by clicking:
<http://citynet.sannet.gov/pac/pcard/index.shtml>

I. P-Card User Reconciliation

Access® Online allows a P-Card user to view their statement online and begin the reconciliation process immediately. (<https://access.usbank.com>). Hardcopy statements are also sent via US Mail.

Within three days, a P-Card user should reconcile the statement with their Cardholder Transaction and Use Tax Log and original transaction documents (sales receipts, invoices, etc.).

The P-Card user shall follow the following reconciliation procedures:

1. Review transactions and amounts for accuracy.
2. Identify disputed charges and follow procedures in Chapter 11 of the P-Card User's Manual, Transaction Disputes.
3. Sign and date the US Bank statement.
4. Sign and date all relevant Cardholder Transaction and Use Tax Log pages.
5. Sign the Statement of Account
6. Itemize and sign all sales receipts or vouchers and delivery tickets from vendors
 - a. If a receipt is missing, the P-Card user shall note this in the Cardholder Transaction and Use Tax Log and attempt to obtain a copy of a missing receipt from the vendor.
 - b. If copy cannot be obtained, the P-Card user shall provide a signed memo of explanation
7. Forward the reconciliation packet to the respective Shift Commander for review and approval of expenses
8. The Shift Commander will forward the reconciliation packet to the Logistics Account Clerk.

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9. Disputed items must include the original Cardholder Statement of Questioned Item form
 - a. The P-Card user shall fax a copy of this form to US Bank within 60 days of the dispute.

J. Common Account Numbers

1. Organization Number (Org. Number):
 - a. **1912145111**
2. Object Account (O.A.) numbers:
 - a. **511010** – Office supplies
 - b. **511062** – Safety supplies (goggles, gloves etc.)
 - c. **511069** – Unclassified materials and supplies
 - d. **512058** – Meals expense during an emergency
 - e. **514002** – Gasoline (City vehicles)
3. Job Order (J.O) numbers
 - a. **11001726** – Strike Team Job Order number (unless notified by HQ of different number)
 - b. **11001727** – National Forrest Management Team