

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
MESQUITE, TEXAS, ADOPTING A PROCUREMENT POLICY;  
AND DECLARING AN EFFECTIVE DATE THEREOF.

WHEREAS, the City Council of the City of Mesquite, Texas (“City Council”) recognizes that effective cash management is essential to good fiscal management; and

WHEREAS, the City Council realizes the need to adopt a Procurement Policy for the City of Mesquite, Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the City Council has reviewed the Procurement Policy, attached hereto as Exhibit “A” and made a part hereof for all purposes, and hereby approves and adopts said policy as the official Procurement Policy of the City of Mesquite, Texas.

SECTION 2. That this resolution and the aforementioned Procurement Policy shall take effect immediately from and after the passage of this resolution.


DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 4th day of March 2019.

\_\_\_\_\_  
Stan Pickett  
Mayor

ATTEST:

\_\_\_\_\_  
Sonja Land  
City Secretary

APPROVED:

  
\_\_\_\_\_  
David L. Paschall  
City Attorney



Financial Policy  
Procurement

City of Mesquite  
Finance Department

Effective Date: \_\_\_\_\_

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## I. INTRODUCTION

Purchasing, a division of the Finance Department, is the central procurement and property disposal function for all departments of the City of Mesquite. It is responsible for assisting all departments in locating and securing supplies, equipment or services in the most efficient and economical way.

The Purchasing Division operates as a service agency and should be included in all stages of acquisition from planning to ordering and receiving. The intention is to not influence what is purchased, but to utilize the Purchasing Division's knowledge, expertise of purchasing techniques and products to ensure compliance with the State's competitive bidding statutes and the City's purchasing policy.

A proper understanding of purchasing policies and procedures can save the City time and money. The procurement policy may be used as a reference guide for the best interests of all concerned. The policy is prepared by the Purchasing Manager, reviewed by the Finance Director, Assistant City Attorney and Deputy City Manager, and approved by City Council.

## II. PURCHASING PROCEDURES

The following purchasing procedures are outlined in accordance with the dollar threshold of expenditure.

### A. Petty Cash: \$1 - \$200

After proper approval is obtained (see Petty Cash Policy for further details), minor purchases of goods or services that are \$200 or less may be purchased directly from a vendor. The cost is reimbursed from the Petty Cash Fund upon presentation of a paid invoice and a signed Petty Cash Voucher Form. This form is available through office supply inventory in the Print Shop. Petty cash is issued daily through the Cashier's office at City Hall and the Municipal Center.

The procurement of goods or services over \$200 (which cannot be purchased from the Petty Cash Fund) must be submitted on a purchase requisition or purchased with a City Purchasing Card (see section VIII of this policy).

### B. Expenditures for Goods or Services: \$1 - \$3,000

City policy does not require bids for expenditures of goods or services that do not exceed \$3,000. However, user departments are encouraged to obtain multiple quotes in order to get the best value for the City. Acquisitions for services may include specific insurance requirements. Anyone with questions should contact the Risk Manager for insurance-related questions and the Purchasing Office or Legal Department for clarification on all other issues.

### C. Expenditures for Goods or Services: \$3,001 - \$50,000 (Informal)

Informal bids are required for expenditures for goods and services over \$3,000 and up to but not exceeding \$50,000. The Texas Local Government Code Chapter 252.0215 requires municipalities making expenditures of more than \$3,000 but less than \$50,000 to contact at least two Historically Underutilized Businesses (HUB) on a rotating basis. The State Comptroller maintains a list of HUB vendors registered with the State of Texas. The municipality is exempt from this requirement if the list fails to identify a HUB in the county in which it is located. It is the responsibility of the Department initiating the acquisition to perform HUB search. Please reference "How to Look Up HUB Vendors" procedure (*found on the Intranet under Resources – Purchasing*).

With the exception of annual contracts, departments begin their purchasing process by creating a requisition in Munis (*see instructions on how to create a requisition in the Munis Phase One Training Manual*). The requisition will be routed to Purchasing through the workflow approval process and a bid number will be assigned. The Purchasing Office will create a bid document that includes the department's specifications and post the bid document. Purchases with simple specifications and no insurance requirements, such as materials purchases, can be processed by Purchasing or the department by

obtaining vendor quotes without a bid document. Once the bids or quotes have been received and the apparent low bidder has been identified, the department will complete and attach a Bid Recommendation Form (*found on the Intranet under Resources – Purchasing and in Munis – City Forms*) to the requisition. The bid justification will require a detailed explanation for vendor recommendation. Once the vendor recommendation has been reviewed, a recommended bid tabulation will be created and attached to the requisition.

The requisition will be routed through the Munis approval path based on the dollar amount. The Purchasing Manager has the authority to award expenditures up to \$9,999. Requisitions \$10,000 and above will be routed by the Purchasing Manager to the Finance Director and City Manager, or designee, for approval. After the appropriate authorizations are made, the requisition will be posted and converted to a purchase order or contract document in Munis. The Purchasing Office will forward purchase orders to vendors according to instructions stated in the requisition. It is extremely helpful if departments provide specific instructions related to the delivery of the purchase order in the general notes area of the requisition, including whether the purchase order is required to be sent to the vendor or simply filed. If no instructions are provided, the hard copy of the purchase order will be mailed to the vendor.

#### **D. Expenditures for Goods or Services: Above \$50,000 (Formal)**

Formal bids must be obtained for expenditures of more than \$50,000, and require City Council approval. All departments are encouraged to plan their purchases a minimum of six weeks in advance to allow time for the processing of complete bid specifications and meeting the legal requirement for advertisements. Formal bids must be advertised in the City's designated local newspaper for two consecutive weeks and may be opened the following week. If there is a pre-bid meeting, departments should plan for an additional week following the last required week of advertisement before the bid is opened. Formal bid responses from vendors must be sealed in an envelope or package in order to be accepted for bid opening.

With the exception of annual contracts, departments begin their purchasing process by creating a requisition in Munis (*see instructions on how to create a requisition in the Munis Phase One Training Manual*). The requisition will be routed to Purchasing through the workflow approval process and a bid number will be assigned. The Purchasing Office will create a bid document that includes the department's specifications and post the bid document for public viewing. Once the bids are formally opened and tabulated, they will be sent to the department for review. The department will evaluate the bid responses and submit an agenda item on Legistar (*instructions on how to create an agenda item can be obtained from the City Secretary's office*). This will place the item on the City Council agenda for approval. Purchasing will review the recommendation and create the recommended bid tabulation as an attachment to the agenda item. The Purchasing Office will receive and post the approved agenda document to the requisition for final approval by the Finance Director. The requisition will be posted and converted to a purchase order or contract document in the Munis system.

## E. Annual Contracts and Renewals

### Annual Contracts

Annual contracts or term contracts are created for goods and services that will be needed and/or ordered throughout the fiscal year, but termed on a calendar year basis. Annual contracts differ from one-time purchases on the basis of order requirements. For example, a department need for one piece of equipment does not constitute an annual contract; however, if the same piece of equipment or equipment of the same likeness was budgeted and required to be ordered on a continuous basis throughout the year, it meets the requirements of an annual contract. In addition, the dollar amount of the expenditure can be awarded informally or formally based on the expected needs of the department.

To begin the purchasing process for annual contracts, the department will email the Purchasing Office at [purchasing@cityofmesquite.com](mailto:purchasing@cityofmesquite.com). The buyer assigned to the requesting department will assign a bid number and send a draft of the bid document to the department for review. Once the bid document is reviewed by both the department and the Purchasing Office, the bid will be posted for vendor response. The department will receive the bids and bid tabulation for evaluation after the bid opens. In order to make a recommendation, the department must submit a requisition and attach the Bid Recommendation Form (*found on the Intranet under Resources – Purchasing and in Munis – City Forms*). The Bid Recommendation Form must state the entire amount of the contract award; however, the requisition amount can be for a lesser amount than the award based on the budgetary needs of the department. The Bid Recommendation Form will be used to create a contract document in Munis. The contract will be attached to all expenditure activity in Munis for tracking purposes.

### Contract Renewals

The original bid document describes the renewal terms of a contract, if applicable. Purchasing will contact the department three months before contract expiration in order to allow sufficient time for a contract to continue without interruption. This notification will occur in the form of an internal memorandum to the department asking for a decision on whether a renewal or re-bid will occur. If a renewal is chosen, Purchasing will contact the vendor for a renewal response. The department will receive the signed vendor renewal letter and Purchasing will extend the contract document in Munis. The department will not need to process a requisition for a contract renewal. If the department decides to re-bid, the internal memorandum will be marked accordingly and returned to Purchasing for the bid process to start.

## F. Change Orders and Price Increases

### Change Orders

A Change Order is defined as an increase or decrease to specifications or quantity of work to be performed or materials, equipment or supplies to be furnished. A Change Order's approval is dependent upon several factors, including the original amount of the bid award and the amount of the requested change. If the change order amount does not exceed the maximum increase/decrease (25%) that administrative officials can approve, it will be approved without Council action. A Change Order Form (*found on the Intranet under Resources – Purchasing and in Munis – City Forms*) is the administrative form that will be

reviewed for approval by designated personnel and should include the number and name of the bid/contract, the original amount of the award, the amount of the change being requested and any previous change orders. Documentation supporting the requested Change Order should also be included for review purposes. The Change Order Form and documentation will be attached to either the purchase order or contract change order document in Munis for workflow approval (*instructions on how to create a Purchase Order Change Order can be found in the Munis Training Manual. Purchasing creates all contract change orders for annual contracts*). Purchasing will post the Change Order document in Munis and send the approved Change Order Form to the department for record-keeping.

#### **Price Increases**

A bid document may contain verbiage that allows for a price increase to be requested by an awarded vendor of an annual contract after no less than one year of the initial contract term. The request must be in writing and contain supporting documentation that includes invoices or formal notices of price increases from wholesalers or distributors. The documentation must support the requested amount. Price increase requests from an awarded vendor will not result in a formal Change Order request unless the initial bid award has been maximized and the department is in need of additional funding for said expenditure. Purchasing will review the request and documentation for accuracy and reasonableness, including review of current market conditions, before forwarding the request to the department. If the department agrees, the Purchasing Office will create an internal memorandum for review and approval by the Finance Director and City Manager.

### **G. Conflict of Interest Questionnaire/Form 1295/Conflicts Disclosure Statement**

#### **Vendor**

State law mandates that a Conflict of Interest Questionnaire must be submitted by a vendor if the vendor has a business relationship with the city and: (1) the vendor has an employment or other business relationship with an officer of the city, or a family member of the officer; (2) has given an officer of the city, or a family member of the officer, one or more gifts with an aggregate value of more than \$100 in a 12-month period; or (3) has a family relationship with an officer of the city. See Chapter 176 of the Local Government Code. In addition to the requirements of Chapter 176, the Texas Legislature enacted Government Code Section 2252.908 in 2015, pursuant to HB 1295, providing that a governmental entity may not enter into certain contracts with a business entity on or after January 1, 2016, unless the business entity submits a disclosure of interested parties (Form 1295) to the governmental entity at the time the business entity submits the signed contract to the governmental entity.

#### **Expenditures for Goods or Services: \$3,001 -\$50,000 (Informal)**

Vendors conducting business or seeking to conduct business with the City must file a Conflict of Interest Questionnaire with the City Secretary's Office no later than seven business days after contract negotiations begin or after an application, bid or other written submission relating to a potential contract is submitted. Vendors conducting long-term business with the City must keep their Conflict of Interest Questionnaires up-to-date by re-filing annually or upon an event that would make the questionnaire



inaccurate. Vendors commit a Class C misdemeanor for failing to submit the Conflict of Interest Questionnaire.

**Expenditures for Goods or Services: Above \$50,000 (Formal)**

Vendors conducting business or seeking to conduct business with the City must file a Conflict of Interest Questionnaire with the City Secretary's Office no later than seven business days after contract negotiations begin or after an application, bid or other written submission relating to a potential contract is submitted. Vendors conducting long-term business with the City must keep their Conflict of Interest Questionnaires up-to-date by re-filing annually or upon an event that would make the questionnaire inaccurate. Vendors commit a Class C misdemeanor for failing to submit the Conflict of Interest Questionnaire. In addition, Vendors are required to electronically file a Disclosure of Interested Parties Form 1295 with the Texas Ethics Commission, upon being notified of contract award.

**Local Government Officers**

Chapter 176 of the Local Government Code requires that a local government officer (Mayor, Councilmembers, City Manager or administrators, and certain other city officials) file a Conflicts Disclosure Statement with the City Secretary within seven days of becoming aware of the following situations:

- 1) A local government officer or the officer's family member (parent/child, brother/sister, son-in-law, daughter-in-law, etc.) has an employment or a business relationship that results in taxable income (income exceeds \$2,500 during the preceding 12-month period) with a vendor who has contracted with the City or with whom the City is considering doing business.
- 2) A local government officer or the officer's family member receives and accepts one or more gift(s) with an aggregate value of \$100 in the preceding 12 months from a vendor who conducts business, or is being considered for business with the City.

**H. Sole Source Purchases**

A Bid Recommendation Form (*found on the Intranet under Resources – Purchasing and in Munis – City Forms*) fully explaining the conditions that make the supplier an only source should accompany requisitions for any goods or services that qualify as a sole or single source (Section 252.022 of the Local Government Code). In addition, the vendor will be required to submit a letter certifying that it is legally a sole or single source either by patents, copyrights, secret processes, or natural monopolies. Finally, a sole source form will be completed that verifies the type and purpose of the sole source as well as cost reasonableness. Both the form and vendor letter should be attached to the requisition in Munis. The dollar amount for formal award procedures still apply if the expenditure is more than \$50,000.

**I. Interlocal Agreements**

Background: The Interlocal Cooperation Act, Chapter 791, V.T.C.A., Texas Government Code, as amended, provides authorization for any local government to contract with one or more local governments to

perform governmental functions and services under the terms of the Act. Section 271.102 of the Local Government Code, as amended, authorizes cooperative purchasing programs between local governmental entities through the use of interlocal contracts. These cooperative purchasing programs can be used in lieu of formal bidding for goods and services. The City Council, on March 20, 2017, passed Ordinance No. 4472, delegating to the City Manager the authority to enter into interlocal contracts for the purpose of cooperative purchasing.

Cooperative purchasing: Once the department has determined that a purchase using a cooperative purchasing program with another local government provides the best value to the City, the following process should be followed:

- 1) Verify if there is an existing interlocal cooperative purchasing agreement with the City that provides the appropriate goods and services and meets the minimum insurance requirements (*found on the Intranet under Resources for Employees – Purchasing – Interlocal Agreements*).
- 2) If there is no existing agreement, contact Purchasing Manager via email or phone to initiate drafting of the interlocal cooperative purchasing agreement, by providing governmental entity and description of goods/services.
- 3) Purchasing Manager will draft three (3) copies of document and forward to Legal Department for review and approval.
- 4) Legal Department will stamp “Approved as to Form” on documents, sign, and forward to City Secretary for execution.
- 5) City Secretary will review the agreements and forward to the City Manager’s Office for execution. Once executed, the City Secretary will attest to the City Manager’s signature and forward the three (3) copies of document back to Purchasing.
- 6) Upon approval from all respective departments within the City of Mesquite, the Purchasing Office will forward three (3) copies of documents to the appropriate governmental entity for its execution.
- 7) Once fully executed by both parties, the governmental entity will keep one copy for record keeping and forward the remaining two (2) copies back to City of Mesquite, where one (1) copy will be maintained by the Purchasing Office and the other by the City Secretary.
- 8) At this point, the department can enter into a contract with the vendor for the purchase of the desired goods or services.

## **J. Cooperative Agreements**

The City participates in numerous cooperative-purchasing programs. These programs provide a unique opportunity to purchase goods and services. All contracts have been competitively bid and meet state



bidding requirements. Please reference the above-mentioned process for cooperative purchasing agreements. In addition, it is the responsibility of the department to locate and identify an appropriate cooperative agreement (*found on the Intranet under Resources – Purchasing – Cooperative Purchasing Entities*).

## **K. Request for Proposals (RFP), Best Value Bidding and Standard Bid Documents**

There are important differences to note between a request for proposal (RFP), a best value bid and a standard bid document.

### **Request for Proposals (RFP) and Best Value Bids**

The specifications for request for proposals (RFP) and best value bids are written using performance standards. The solicitation also list the factors by which the proposal will be evaluated and the weight to be given to each factor. These factors are based on Local Government Code 252.043 Award of Contract that states in determining the best value for a municipality, a city can consider:

- 1) The purchase price;
- 2) The reputation of the bidder and of the bidder's goods or services;
- 3) The quality of the bidder's goods or services;
- 4) The extent to which the goods or services meet the municipality's needs;
- 5) The impact on the ability of the municipality to comply with laws and rules relating to contracting with historically underutilized businesses and non-profit organizations employing persons with disabilities;
- 6) The total long-term cost to the municipality to acquire the bidder's goods or services; and
- 7) Any relevant criteria specifically listed in the request for bids or proposals.

Proposals and Best Value Bids are evaluated based on these factors by an evaluation team. Each team member reviews each response and gives their score accordingly. The best value scores are given to the Purchasing Office with the vendor recommendation.

**“No Contact” Procedure:**

Vendors are strictly prohibited from approaching City staff in an attempt to gain an advantage in the award process after proposals have been opened and prior to award of contract. All Evaluation Team members will have to sign a *Non-Disclosure Statements Form*, ensuring that they are compliance and as a reminder of their responsibilities. The City by written notification to the vendor, may reject and/or disqualify an offer for violation of this clause

**Distinctions between a Request for Proposal and a Best Value Bid:**

Unlike best value bids, vendors submit responses to Requests for Proposals (RFP) to satisfy the requirements set forth in the request. Proposal responses may incorporate entirely different hardware or services to accomplish the same performance, as the purpose of proposals is to seek the best solution a vendor has to offer. In addition, the City may enter into negotiations with as many vendors that have submitted feasible proposals or create a short-list of vendors in order to arrive at the best possible proposal from each vendor, as long as all vendors are treated fairly.

**Standard Bids**

Competitive Standard Bids are created using the description of the good or service requested and award is based only on price. This type of procurement is *also referred* to as an **Invitation to Bid (ITB)**. Award has to go to the lowest responsible and responsive bidder and no other criteria can be used to evaluate a vendor for award.

**L. Quick Quotes (For purchases up to \$50,000)**

A vendor quick quote is a process in which a department solicits pricing for an item using very simple specifications. A good standard of what qualifies as “simple” would be verbiage that completely describes an item in no more than three sentences or lines. The department must award the lowest quote that can supply its need; no other criteria can be a factor. Once the department has determined that a quick quote is appropriate, the following process should be used.

- 1) Determine in writing the item(s) that will be requested and outline the simple specifications.
- 2) Using the specifications created in (1), contact at least three (3) vendors putting your request in writing (email or fax is preferred). If a discussion is held with a vendor by phone, convey the message to the vendor in writing after the call.
- 3) If the request will total over \$3,000, at least two HUB quotes must be obtained in addition to any other quotes received from a total of three (3) vendors (*see provision C. Expenditures: \$3,001 - \$50,000 for additional details*). Quick quotes cannot be more than \$50,000.
- 4) Give all vendors contacted the same amount of time to respond to a request made.

- 5) Submit a requisition attaching all pertinent documentation, including the written proof of vendor price submittals, HUB search and bid recommendation form.

### **M. Professional/Personal/Planning Services**

Professional, personal, and planning service contracts are exempt by state law from competitive bidding (see Chapter 252 of the Local Government Code). Certain professional services, not only are exempted from competitive bidding under Chapter 252, but are prohibited from the competitive bidding process. The Professional Services Procurement Act (VTCA Government Code, Chapter 2254) provides that the following professional services must be obtained on the basis of demonstrated competence and qualifications and not on the basis of competitive bids:

- Accounting
- Architecture
- Landscape Architecture
- Land Surveying
- Medicine
- Optometry
- Professional Engineering
- Real Estate Appraising
- Professional Nursing

The document known as a Request for Qualifications (RFQ) will outline the minimum results that should be expected from each provider. Responses will be measured for demonstrated competence and qualifications to perform the services. Once the qualification documents are evaluated, the highest qualified vendor will be contacted for negotiation of a contract at a fair and reasonable price

### **N. Grant Procurements**

Departments making any purchases using Federal or State grant funds must check the GSA Excluded Parties List System website at [www.sam.gov](http://www.sam.gov) to verify that vendors are not on the excluded parties list prior to award. Documentation of the website search results must be maintained in the user department, in the contract file and attached as support on the Munis system, as appropriate.

In addition, departments procuring items with grant funding must follow the acquisition compliance requirements of the granting agency which can be extensive and often require specialized training. Local governments which are not sub-recipients of State or Federal funds will use their own procurement procedures provided that they conform to applicable Federal law and regulations and standards identified in the A-102 Common Rule. Please reference the Grant Policies and Procedures (*found on the Intranet under Resources – Finance – Grant Policies and Procedures*).

### III. REQUISITION

#### A. Purpose of a Requisition

A requisition should tell the Purchasing Office what to buy, when needed and where to deliver the goods and services. Specific delivery instructions for the vendor should be entered in the vendor sourcing notes in Munis and purchase order (PO) delivery instructions for the Purchasing Office should be written in the general notes.

REMINDER: Purchase orders and blanket orders are created from requisitions. A requisition is not a purchase order.

#### B. Requisition Process

Refer to “Purchasing Tab” in the Munis Phase One Training Manual Revision 6.7.2013.

#### C. Budget Verification

If an account lacks a sufficient budget, a requisition cannot be processed. In this instance, the department should perform one the following procedures:

- 1) Withdraw the request (delete the requisition);
- 2) Request a transfer of funds within the department’s budgeted accounts; or
- 3) Unencumber funds from existing purchase orders or contracts by initiating a purchase order change order or contract change order.

## IV. PURCHASE ORDER

### A. Purpose of a Purchase Order

A purchase order is a legal document designed to expedite and control buying for the City. It is used for a one-time purchase of goods or services. Once a vendor receives a signed purchase order from the City, the City is then obligated to pay the vendor for the goods and services stated within the description of the purchase order once the goods and services are received and deemed acceptable.

### B. Purchase Order Process

The purchase order is created by the Purchasing Office from an approved requisition. Note: Departments cannot create purchase orders.

Refer to the "Purchasing Tab" in the Munis Phase One Training Manual Revision 6.7.2013.

## V. BLANKET PURCHASE ORDER

### A. Purpose of a Blanket Purchase Order

A blanket purchase order is used when pricing is based on “estimated annual requirements.” It is issued to a specified vendor for a stated period of time during a budget year to purchase goods or services.

Blanket purchase orders may be used for annual contract purchases where the vendor and price are established through the bid process. Blanket purchase orders can also be used for special projects that will only last for a short period of time. This type of purchase involves a minimum dollar value.

### B. Blanket Purchase Order Process

The blanket purchase order is created by the Purchasing Office from an approved requisition. Note: Departments cannot create blanket purchase orders.

### C. Receiving and Invoicing

The user department is responsible for receiving orders issued by a purchase order. The quantities must be received into the Munis system. The purchase order and invoice should be verified for accuracy. The Munis system allows for a 10% or \$100 adjustment for additional charges (e.g., extra freight and delivery fees) and will permit invoice payment if it falls within the 10% allowance. However, if the increase is over the 10% or \$100 allowance, a Munis change order is required.

Refer to “Purchasing Tab” in the Munis Phase One Training Manual Revision 6.7.2013.

## VI. EMERGENCY PURCHASES

Emergency purchases may be required from time to time. If you are trying to authorize a purchase above \$50,000 without going through normal notice and bidding requirements because of an emergency, we will need to fall within the "General Exemptions" section of Chapter 252: public calamity; preservation or protection of the public health or safety; or unforeseen damage to public machinery, equipment, or other property. If applicable, then no formal bidding is required and council would only need to ratify the purchase.

All efforts should be made to avoid emergencies due to poor planning. Typical examples of emergencies created through poor planning are:

- 1) Depletion of stock due to negligence.
- 2) Building or equipment repairs that have been postponed or avoided for some time and then suddenly become an emergency.
- 3) Materials for projects not planned for and obtained in advance, and suddenly there is a request for immediate use.

The following procedures should be followed for emergency purchases.

### **During Office Hours**

When an emergency purchasing need arises during office hours, the department director should contact the Purchasing Office to receive authorization before contacting a vendor for the emergency good or service. Authorization for purchases over \$10,000 and up to \$50,000 will be subject to approval by the Finance Director and City Manager or designee. Any emergency purchase over \$50,000 will have to be approved by City Council. The payment for an emergency purchase can be made by direct invoice entry.

### **After Office Hours**

When an emergency occurs outside of work hours, please limit risk exposure to people and property as best as possible using a vendor that can readily address the needs of the emergency. The Warehouse Supervisor, Purchasing Supervisor and Purchasing Manager's contact information are available on the Emergency Duty Roster for instances of after-hours emergencies and supply needs. As soon as normal office hours start, please notify the Purchasing Office with all details related to the emergency purchase. A statement from the department head should accompany the notification authorizing the expenditure.

## VII. SPECIFICATIONS

A specification is an accurate description of the material or equipment to be purchased. In writing a specification, please consider the following:

- 1) "Keep it Simple." Use short and simple sentences rather than compound/complex sentences. Any ambiguity in the specifications can allow the bidder to evade the provisions of the contract, which can be costly to the City.
- 2) Identify brand name(s) or approved equivalent(s) already in the marketplace.
- 3) Reference industry standard, authoritative sources whenever possible, such as ATSM, AWWA, etc.
- 4) List descriptions in a manner that will enable them to be verified upon bid evaluation for acceptance or rejection.
- 5) Write clearly and concisely; avoid repeating similar information in different places. This eliminates conflict when changes are made in one place but not in another. Misunderstandings can be expensive.
- 6) Allow for flexibility to provide the City the opportunity to take advantage of new products, technology, and methods available.



## VIII. PURCHASING CARD PROGRAM

### A. Purpose

The City of Mesquite Purchasing Card Program has been established to enable City staff to make small dollar purchases and travel and training arrangements quickly and efficiently. The purchasing card is another method of making purchases for City goods and services.

### B. Policy Statement

A City of Mesquite purchasing card is to be used to make “best obtainable price” purchases at the request of, and for the legitimate business of, the City of Mesquite. Each purchase must be consistent with the City of Mesquite Policies, Procedures, and Administrative Directives governing expenditures of funds and procurement of goods and services.

### C. Program Guidelines

The following guidelines shall be reviewed before using the purchasing card.

- 1) The purchasing card is not for personal use and shall not be used to finance personal expenses, even if the intent is to reimburse the City.
- 2) A purchasing card is issued in an employee’s name. All purchases made on the purchasing card must be only made by that employee. **A cardholder shall not loan his or her card or card number to other employees for their use.** The cardholder is responsible for the security of the purchasing card and the transactions made with it. If the cardholder does not follow these guidelines when using the purchasing card, he or she could receive disciplinary action up to and including termination of employment.
- 3) The purchasing card may be used at any non-restricted vendor or service provider that accepts a City credit card. It may be used for purchases made in store or by mail, telephone, fax, or internet.
- 4) The purchasing card may be used to purchase supplies and services less than the single transaction limit that has been established for the card. A single purchasing card transaction shall not exceed \$3,000. **Cardholders will not split a purchase into multiple transactions in order to circumvent the intended control of the single transaction limit. Please contact the Program Administrator to discuss the options of making a purchase over the transaction and/or monthly limits assigned to the card.**
- 5) The assigned monthly credit limit must not be exceeded.
- 6) Items that are listed on annual contracts as a result of bid awards should not be purchased using the purchasing card.
- 7) The cardholder must work with the Department Administrator to reconcile the transaction details imported into Munis from the bank to ensure all charges are accurate. The reconciliation MUST

be completed within the timeline established by Finance, which is currently five days after each month end.

- 8) The purchasing card is not intended to avoid or bypass appropriate purchasing or payment procedures as outlined in the *City of Mesquite Purchasing Manual*. This program complements the existing processes available.
- 9) Department Directors shall address all unauthorized, improper, or misuse of the purchasing card with the cardholder immediately and any ongoing purchasing card abuse or misuse shall be reported to Human Resources. As outlined in the *Cardholder Credit Card Agreement*, unauthorized, improper, or misuse of the purchasing card may result in disciplinary action up to and including termination of employment.
- 10) The purchasing card must be returned to the Program Administrator upon termination of employment with the City.
- 11) The Program Administrator must be contacted when an existing cardholder is transferred to another department. The cardholder's card will be updated to reflect the new department and account information, or closed if requested by the Department Director.

#### **D. Responsibilities**

##### 1) Program Administrator – Manager of Purchasing

The Program Administrator will review and approve all requests for purchasing cards made by Department Directors. The Program Administrator shall:

- a) Review the Department-approved purchasing card Application for required information and signatures;
- b) Establish the cardholder transaction limits as directed by the Department Director;
- c) Obtain the approval of the Director of Finance for any credit limit request over \$1,000;
- d) Submit the completed and approved Application to the Program Card Issuer in order for the purchasing card to be ordered from the Bank;
- e) Train the cardholder and Department Administrator before the purchasing card is issued and secure signatures verifying that training was completed;
- f) Issue the purchasing card PIN once the cardholder has received the required training.
- g) Submit cardholder changes as needed to the Program Card Issuer for processing on the Bank system; and
- h) Review purchasing card transactions on a regular basis (at least twice per fiscal year) to ensure compliance with overall purchasing procedures of the City of Mesquite.

##### 2) Program Card Issuer – Manager of Budget and Financial Analysis

The Program Card Issuer serves as the liaison with the Bank. The Manager of Accounting and the Director of Finance are backup to the Manager of Budget and Financial Analysis in this role. The Program Card Issuer shall:

- a) Submit approved Purchasing Card Applications to the Bank for card issuance;
- b) Inform cardholders when their card is ready for distribution;
- c) Obtain the cardholder's signed Cardholder Credit Card Agreement form signifying agreement with the terms and conditions of the Purchasing Card Program;
- d) Secure revoked purchasing cards and inactivate the card on the Bank system;
- e) Ensure reported lost or stolen cards are inactivated on the Bank system and new cards are ordered and issued;
- f) Receive and act on notice of termination or transfer of cardholders; and
- g) Monitor and maintain cardholder account details and assigned credit limits.

3) Program Billing Administrator – Senior Accountant – Accounts Payable

The Program Billing Administrator ensures the monthly payment to the Bank reconciles with the approved transactions processed by each cardholder and Department Administrator. The Program Billing Administrator shall:

- a) Ensure the credit card transactions are uploaded from the Bank into the Munis system on a weekly basis;
- b) Review the monthly payment to the Bank and corresponding transaction activity processed by the Department Administrators for all cardholders;
- c) Enter the Bank wire payment into the Munis system for processing; and
- d) Handle disputed charges/discrepancies not first resolved by cardholders or Department Administrators.

4) Cardholder

The cardholder is designated by the Department Director to utilize the purchasing card for purchasing small dollar supplies and services. The cardholder is responsible for following the guidelines contained in this policy in regard to purchases, selection of vendors, security of the card, and monthly reconciliation. The cardholder shall:

- a) Ensure the purchasing card is used for legitimate City business purposes only.
- b) Maintain the purchasing card in a secure location at all times and exercise care in sharing card number information when using the card for purchases;
- c) Not share PIN information;
- d) Not allow other individuals to use the purchasing card;
- e) Obtain itemized transaction receipts from vendors;
- f) Note appropriate account number on each receipt;
- g) Be responsible for obtaining a duplicate of a lost or misplaced receipt. If unobtainable, the cardholder must complete a Missing Documentation Form (attachment C);
- h) Adhere to the purchase limits and restrictions of the purchasing card and ensure the total transaction amount of any single transaction does not exceed the purchasing card parameters as outlined in this policy;
- i) Ensure all travel related charges comply with the City's Travel Policy;
- j) Provide all itemized sales receipts to the Department Administrator at the end of each week for reconciliation with bank transactions;

- k) Attempt to resolve disputes or billing errors directly with the vendor and Department Administrator and notify the Program Billing Administrator if the dispute or billing error is not satisfactorily resolved by submitting the Statement of Disputed Item form (attachment D);
- l) Ensure that an appropriate credit for the disputed item or billing error appears on cardholder's account;
- m) Not accept cash in lieu of a credit to the purchasing card account when processing a refund;
- n) Ensure that sales tax is not charged on purchasing card transactions (as much as feasibly possible);
- o) Immediately report a lost or stolen card to the Bank Customer Service Center at 888-449-2273;
- p) Notify the Program Card Issuer and Department Administrator of a lost or stolen card as soon possible;
- q) Return the purchasing card to the Department Director upon termination of employment with the City;
- r) Notify the Department Director and Program Card Issuer if transferring to another department or if no longer using the card in order for card information to be modified or account closed;
- s) Contact the Program Administrator if a vendor will not accept the City purchasing card; and
- t) Report repeated declines or declines for unknown reasons of purchasing card use to the Program Card Issuer.

5) Department Administrator

A Department Administrator is designated by the Department Director to keep documentation for the purchasing card activities within a department. Department Administrators must be knowledgeable about the Purchasing Card Program. Cardholders should first contact the Department Administrator, who will then refer questions or potential problems to the Program Administrator and/or Finance, when necessary. The Department Administrator shall:

- a) Review and reconcile cardholder receipts with bank imported transactions in the Munis system on a timely basis;
- b) Ensure receipts match the amounts charged and provide sufficient details of the business purpose;
- c) Enter all details related to each transaction and attach all receipts in the Munis TCM system;
- d) Change the default ORG and Object code as necessary depending on the transaction details;
- e) Assist in resolving any disputes with the vendor and/or bank not resolved by the cardholder and notify the Program Billing Administrator if unsuccessful;
- f) Notify the Program Card Issuer of any lost or stolen cards; and
- g) Assist cardholders with erroneous purchase declines.

6) Department Director

The Department Director, or equivalent, is responsible for designating the Departmental Administrator, all cardholders within the department, and for approving monthly purchasing card statements of cardholders to ensure purchases are made in accordance with City policies. The Department Director also assists the Program Administrator with assigning cardholder spending limits. The Department Director shall:

- a) Secure purchasing cards from terminated employees and forward to the Program Card Issuer; and
- b) Inform the Program Card Issuer of employees transferring to another department or if an employee no longer needs the purchasing card.

7) Bank Customer Service Center

The Purchasing Card Program is serviced using a team approach with the Bank Customer Service Center. This center is available 24 hours a day, 7 days a week to assist the cardholder with general questions about the purchasing card account. If a card is lost or stolen, the Bank Customer Service Center should be notified immediately.

The Bank Customer Service Center number: **1-888-449-2273**.

8) Program Auditor – Senior Financial Analyst

The Program Auditor will prepare a quarterly report of purchasing card transactions and audit each Department's purchasing card activity at least once per year. The Program Auditor shall:

- a) Prepare a quarterly report of purchasing card transactions including the following information:
  - 1. Sort transactions by department and cardholder within each department.
  - 2. Note total purchases by department.
  - 3. Note total purchases by established categories of spending.
  - 4. Note the department(s) selected for audit for the three months of the quarter reported and refer to final audit reports that are available.
  - 5. Distribute the quarterly report to the Director of Finance, Manager of Purchasing, Manager of Accounting and Manager of Budget and Financial Analysis.
- b) Select certain department(s) to audit each month.
  - 1. Download the transaction detail from the Bank system for all cardholders within the department(s) selected.
  - 2. Download the transaction detail from the Munis system Purchasing Card Program section.
  - 3. Verify that all transactions from the Bank have been processed on the Munis system.
  - 4. Review the transactions from the Munis system for the following:
    - a. Appropriate supporting documentation for each purpose;
    - b. Documentation for any missing receipts;
    - c. Meals include notes as to business purpose and City staff involved;
    - d. Goods/services include notes as to the purpose;
    - e. Travel related expenses are in compliance with the City's Travel Policy;
    - f. Sales tax paid on transactions;
    - g. Prohibited items or restricted vendors; and
    - h. Use of a card by non-cardholder.
  - 5. Prepare a report of audit findings to include the following information:
    - a. Departments selected.
    - b. Detail transactions.
    - c. Summary by cardholder and category of spending.

- d. Notes of questionable activity.
6. Items requiring management follow-up will be scheduled for review between the Director of Finance and the appropriate Department Director.

## E. Purchasing Card Controls

### 1) Credit Limits

All purchasing cards have a monthly cardholder spending limit. Limits may vary for each cardholder and are established by the Program Administrator in conjunction with the Department Director.

### 2) Transaction Limits

All purchasing cards have a single transaction limit. Limits may vary for each cardholder and are established by the Program Administrator in conjunction with the Department Director. The single transaction limit is the amount available on the purchasing card for a single purchase. A transaction includes the purchase price, plus freight. A cardholder shall not attempt to make a purchase greater than his or her approved limit.

Each cardholder is given information on the limits of his or her card upon signing up for the program. In order to change transaction limits on any card, the Department Director must contact the Program Administrator. The Program Administrator will then forward the request to the Program Card Issuer for processing. Please allow 2 to 3 days to process any change.

### 3) Restricted Vendors

The Purchasing Card Program may be restricted for use with certain types of suppliers and merchants. If a purchasing card is presented for payment to these vendors, the authorization request will be declined. Cardholders must use good judgement when using the City purchasing card.

Cardholders should contact the Program Administrator if they feel a particular vendor should be added or deleted from the list of restricted merchants.

## F. Procedures

### 1) Setting Up a Purchasing Card

The Program Administrator (Manager of Purchasing) is the key contact person for obtaining a City purchasing card. To request a card:

- a) The City of Mesquite Employee should complete a Purchasing Card Application (attachment A) and submit the form to the Department Director for review and approval.
- b) The Department Director must review and approve the Purchasing Card Application and submit the form to the Program Administrator.
- c) The Program Administrator will review the application for completeness and submit the application to the Purchasing Card Issuer.
- d) The Program Card Issuer will order the card from the Bank.

- e) Upon notice of the card being received, the Program Administrator will conduct a joint training session with the Department Administrator and new cardholder prior to the card being issued.
- f) At the end of the training session the cardholder will sign the Cardholder Credit Card Agreement form (attachment B) signifying agreement with the terms and conditions of the Purchasing Card Program and completion of the required training.
- g) The Program Administrator will sign the Cardholder Credit Card Agreement form and give the cardholder the PIN mailer from the Bank for their issued card.  
The cardholder will take a copy of the signed Cardholder Credit Card Agreement to the Program Card Issuer to obtain their purchasing card.

2) Making a Purchase

The cardholder is to present the purchasing card at the point of purchase in person, over the phone, or on the internet. The cardholder is to let the vendor know the purchase is for the City of Mesquite and is exempt from sales tax. The City's tax exemption number is noted in the upper right corner of the card under the City logo.

When goods are delivered, the cardholder is to inspect the order to verify accuracy, quality, and price.

3) Sales Tax

The City of Mesquite is a tax-exempt entity and does not pay sales tax. Purchasing cards have the City's federal identification number printed on the card (upper right hand corner), and the merchant should be reminded that sales tax should not be included in the transaction. The card does not automatically alert the merchant of the City's exempt status. Cardholders must tell merchants at the time of check out that this is a tax-exempt purchase and that no tax should be added to the sale. Cardholders should check the store receipt prior to leaving the store to make sure sales tax was not included in the total. If tax was added to the sale, then the cardholder should ask the merchant to credit the amount of the sales tax at that time. It is the cardholder's responsibility to see that no sales tax is paid or that credit is received on any sales tax paid by mistake on all transactions.

Exception: Sales tax on restaurant meals, air travel, hotels and parking. As always, the cardholder should seek an exemption on sales tax at these locations; however, it may not be granted. **Sales tax should definitely be exempt on catered or preordered meals.** Cardholders should provide the vendor a tax exempt certificate before the order is placed.

4) Annual Contracts

The City has several annual contracts with vendors for a variety of products and services. Cardholders should contact the vendor on the City's annual contract to determine the availability of needed supplies and whether their job falls within the scope of the contract prior to making a purchase from a non-contract vendor. If a cardholder makes a purchase at a non-contract vendor, an appropriate justification for the purchase should be documented on the receipt.

5) Technology Purchases

All computer hardware (e.g. PC's, servers, laptops, iPads, and printers) and software purchases must be directed through the Director of Information Technology, regardless of whether the



device or software is connected to the City's network. Cardholders must receive written approval from the Director of Information Technology prior to making a technology purchase with the purchasing card.

6) Obtaining Itemized Receipts

The Cardholder must obtain an itemized receipt from the Vendor for each transaction. Receipts include charge slips, cash register receipts, invoice or printout of email or web page transaction confirmation. Receipts must include the following information:

- a) Itemized description of goods purchased.
- b) Vendor name.
- c) Transaction date.
- d) Transaction total.
- e) Last four digits of the credit card.

Receipts that do not clearly list all items purchased will not be considered adequate documentation.

Travel related receipts, including meal receipts, must comply with the City of Mesquite Travel Policy. For meal receipts that are for more than the cardholder, the names of each employee and/or business guest must be noted along with the business purpose.

7) Traveling with a Purchasing Card

The purchasing card is an excellent payment tool for travel and training. The purchasing card may be used to book airfare, lodging at hotels, training registrations, and such expenses directly related to City-approved travel for employees. The purchasing card is intended for City purchases only and is not to be used to pay for travel expenses for spouses, even if those expenses are being reimbursed to the City. If a cardholder is traveling with his or her spouse on City business, only the cardholder's business expenses should be charged to the purchasing card. Expenses for spouses are to be paid in cash or split and paid for on a personal credit card at the time of purchase. This policy also applies to other non-City related travel purchases such as movie rentals, miscellaneous sundries, entertainment, alcoholic beverages, etc. Hotels are very accommodating in splitting these charges upon check out.

8) Declined Purchases

If your purchase is declined by the credit card company, please note the following information and contact the Program Card Issuer once you are back in the office:

- a) Store name and location.
- b) Item attempted to purchase.
- c) Date and time of attempted transaction (date is required; time is not required but may help in determining the Vendor's employee handling the transaction).
- d) Amount of the purchase transaction.

9) Returning an Item Purchased with a Card

For an in-person return, return the item directly to the supplier or Vendor and obtain a credit receipt on the purchasing card.



If you made the purchase by phone, mail or internet:

- a) Contact the Vendor for return instructions.
- b) Obtain a Return Material Authorization (RMA) number or credit number from the Vendor.  
NOTE: some suppliers may charge a restocking or handling fee.
- c) Follow City of Mesquite shipping procedures to send the item back to the Vendor.

Note the date, time and method of return and submit the information with all other purchasing card receipts for the month in which the return was processed. Turn the information in to the Department Administrator for tracking to the Bank transactions. ALL returns must be processed as a credit to the individual purchasing card account where the original transaction was made. CASH REFUNDS ARE PROHIBITED.

10) Reviewing/Reconciling Monthly Activity

- a) At the end of each week, all cardholders must turn in the credit card transaction receipts for that week to their Department Administrator.
- b) A data file of all purchasing card transactions will be obtained from the Bank and uploaded into the Munis system for processing.
- c) The Department Administrator will match the cardholder's receipts to each transaction, make sure each receipt includes the necessary information regarding the transaction, change the default ORG and Object (as necessary) and attach all supporting documentation in the Munis system.
- d) Once the cardholder's transactions are fully documented and recorded, the Department Administrator will release the purchasing card transactions into workflow for invoice approval and processing.

11) Incorrect Charges

If you find an item on your cardholder account that is incorrect, call the Vendor immediately to resolve the disputed charge. The cardholder should make every effort to resolve the situation. If the Vendor does not resolve the discrepancy within 30 days, contact the Program Billing Administrator for assistance. A *Statement of Disputed Item* form (attachment D) may need to be completed and submitted to the Bank for further resolution.

12) Unresolved Disputes and Billing Errors

The total amount of an incorrect or disputed transaction will be charged to the cardholder's default ORG and Object. If the dispute is later resolved and a credit issued, the credit will be applied to the same account.

13) Terminated or Transferred Employees

The Department Director must secure the purchasing card from terminated or transferring employees and immediately notify the Program Card Issuer in order for the card to be inactivated. The Department Director of the transferring employee may submit a Purchasing Card Application in order to continue the purchasing card use with the new department's information noted.

14) Lost, Stolen or Misplaced Cards

Immediately call the Bank at 888-449-2273 to report a lost or stolen card. The toll free number is available 24 hours a day, 365 days a year. The Program Card Issuer and your Department

Administrator must be notified as soon as possible. The Program Card Issuer will ensure the card is deactivated on the Bank website.

15) Card Maintenance

If a Department Director wishes to change information on a cardholder's account, a Purchasing Card Application form should be submitted with the "Revision" box marked and the changes needed indicated accordingly. The form must be signed by the Department Director and submitted to the Program Administrator for review and approval. The approved form will be submitted to the Program Card Issuer for input on the cardholder's account.

## G. Requirements and Conditions

1) Cardholder Eligibility

- a) Cardholders must be an employee of the City of Mesquite.
- b) Requests for purchasing cards must be approved by the Department Director and the Program Administrator.
- c) All cardholders must have a designated Department Administrator.
- d) Cardholders must complete the required Purchasing Card Program training and receive periodic training throughout the use of their card.
- e) Each cardholder must sign a Cardholder Credit Card Agreement.

2) Cardholder Liability

The purchasing card is a corporate credit card, which will not affect the individual cardholder's personal credit. However, it is the cardholder's responsibility to ensure the card is used within the stated guidelines of the City of Mesquite Purchasing Card Program, the Purchasing Manual, and overall spending parameters of the City. Failure to comply with the Purchasing Card Program guidelines may result in permanent revocation of the card, notification of the situation to management, and further disciplinary action up to and including termination.

The City of Mesquite reserves the right to hold cardholders personally liable for items purchased that have no corresponding itemized receipt. A cardholder will immediately reimburse the City of Mesquite for all prohibited charges, charges without proper receipts, and any fees related to the collection of those charges.

3) Purchasing Card Termination

The Program Administrator is required to close an account if a cardholder (a) transfers to a new department or the Department Director requests the account be closed; (b) moves to a new position that does not require a purchasing card; or (c) terminates employment with the City. The Program Administrator may also recommend to a Department Director that a purchasing card account be closed for any of the following reasons:

- a) The cardholder splits a purchase to circumvent the limitations of the purchasing card.
- b) The cardholder uses another cardholder's card to circumvent the purchase limit assigned to either cardholder or the limitations of the Purchasing Card Program.
- c) The cardholder fails to provide, when requested, information about any specific purchase.
- d) The cardholder does not adhere to the Purchasing Card Program policy and procedures.
- e) The cardholder allows the card to be used by another individual.
- f) The cardholder consistently fails to attach itemized receipts for transactions.

g) The cardholder does not immediately notify the Bank of a lost or stolen purchasing card.

4) Security and Storage

*Purchasing Cards* – Cardholders will treat the purchasing card with at least the same level of care as one does their own personal credit cards. The card should be maintained in a secure location (the small envelope provided for the card is recommended to be used at all times) and the card account number carefully guarded. The only person entitled to use the card is the person to whose name appears on the face of the card. The card may not be lent to another person for any reason.

*Program Documentation* – The Department Administrator assigned to each cardholder will maintain the cardholder’s receipts, packing slips, etc. until they are reconciled, entered and attached as support in the Munis accounting system. The Munis accounting system will be the official record of all posted transactions for the Purchasing Card Program.

The Program Administrator, Program Card Issuer, Program Billing Administrator, and Program Auditor will maintain all other documentation concerning the Purchasing Card Program. This documentation includes, but is not limited to, Purchasing Card Applications, Cardholder Credit Card Agreements, Statements of Disputed Items, regular audit files, periodic Purchasing Card Program activity reports, and correspondence with the Bank.

## H. Program Audit Procedures

The Finance Department will conduct audits of all purchasing card transactions by City departments at least once each fiscal year. The audit process will evaluate compliance with the procedures outlined in the Purchasing Card Program policies and procedures. Upon completion of a departmental audit, a written report will be completed and sent to the Department Administrator, Department Director, Program Administrator, and Director of Finance addressing the results of the audit.

## IX. INSURANCE REQUIREMENTS

The City enforces strict guidelines for insurance coverage for vendors doing business with the City. Please reference Insurance Requirements (*found on the Intranet under Resources – Purchasing – General*).

## X. OTHER INFORMATION

### A. Signatures/Authorization

Applications for Titles, Tax Exemption Certificates, Agreements and Contracts shall not be signed by any City employee unless authorized in writing by the City Manager or other designee.

### B. Avoiding Duplicate Purchases

The Purchasing Office verifies all requisitions to avoid and/or eliminate duplicate purchases.

- 1) Fixed Asset purchases are verified against the approved and budgeted capital outlay list.
- 2) All purchases over \$10,000 and up to \$50,000 require approval by the City Manager or his/her designee.
- 3) All purchases exceeding \$50,000 require City Council approval.
- 4) When a requisition is entered into the Munis system, the ORG and Object Codes are checked by the system for sufficient funds in budgeted accounts.

### C. Disposition of Property

Surplus or confiscated property, abandoned vehicles, and real estate are sold on-line, in open competitive auctions, and open to the public. Property declared unusable shall be destroyed. With few exceptions, the donation of City property is not permitted (see Texas legislation noted below).

Per Texas Constitution Article 3 Section 52, (a) except as otherwise provided by this section, the Legislature shall have no power to authorize any county, city, town, or other political corporation or subdivision of the State to lend its credit or to grant public money or thing of value in aid of, or to any individual, association or corporation whatsoever, or to become a stakeholder in such corporation, association or company.

Per Texas Constitution Article 3 Section 52h, a municipality may donate to an underdeveloped country outdated or surplus equipment, supplies, or other materials used in fighting fires (Added Nov. 6, 2001).

Per Texas Constitution Article 3 Section 52i, (a) a municipality may donate surplus equipment, supplies, or other materials used in fighting fires to the Texas Forest Service or to a successor agency authorized to cooperate in the development of rural fire protection plans. (b) The Texas Forest Service or to a successor agency may, based on need, redistribute to rural volunteer fire departments the equipment, supplies, or materials donated under Subsection (a). (Added Sept. 13, 2003). Money received from the sale of equipment will be placed in the General Fund. Grant funds will be placed in a special revenue account as required by grant specifications.

For further information regarding the disposition of City property, contact the Manager of Accounting Services.

#### **D. Code of Ethics**

Public employment is a public trust. It is the policy of the City of Mesquite to promote and protect government integrity and facilitate the recruitment and retention of personnel needed by the City of Mesquite. This policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public service.

Public employees must discharge their duties impartially so as to assure fair competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence and integrity for the City of Mesquite Purchasing Division.

Please reference the Code of Ethics on City of Mesquite website, under Purchasing section: (<https://www.cityofmesquite.com/401/Code-of-Ethics> ).

#### **E. Bid Openings**

All formal bids/proposals shall be submitted to the Purchasing Office where they shall be date and time stamped upon receipt. Bid openings are conducted on Tuesdays and Thursdays at 2:00 p.m. at the location specified in the invitation to bid. Vendors and the public are invited and encouraged to attend.

Bids/proposals received after the specified date and time are disqualified and cannot be considered for award.

## F. Protest Procedures

### Protest

A bid protest must be submitted to the City of Mesquite's Purchasing Manager for consideration by the City of Mesquite's Protest Committee. This committee is comprised of the City Manager, Purchasing Manager, representative from Legal Department, and a representative from the user department. A protest must be submitted in writing and must be supported by sufficient information to enable the protest to be considered. A protest will not be considered if it is insufficiently supported or it is not received within the time limits set forth below under "Timeliness."

A protest may be submitted based on the following reasons:

- 1) A protest relating to restrictive procedures or other alleged improprieties arising prior to bid opening.
- 2) A protest of a final ruling relating to requests for changes to or approval of equals, clarifications and modifications of the specifications, as set forth in the Pre-Bid Approval Section.
- 3) A protest of the award of a contract or alleged impropriety arising after bid opening as set forth below in "Timeliness."

### Timeliness

To be considered, a protest must be submitted so that the Purchasing Office receives it by the following deadlines:

- 1) A protest based upon restrictive procedures, or other alleged improprieties arising prior to bid opening, must be received by the Purchasing Manager no later than five working days prior to the specified bid opening date and may only be protested once.
- 2) A protest based upon a final ruling relating to requests for changes to or approval of equals, clarifications and modifications of the specifications, must be received by the Purchasing Manager within five working days following the issuance of the Purchasing Manager's or department's final ruling.
- 3) A protest of the award of a contract or alleged impropriety arising after bid opening must be received by the Purchasing Manager within five working days following the bid opening date.



## **G. Pre-Bid Approvals**

The Purchasing Manager's or department's written approval must be obtained prior to bid submission for:

- 1) Any clarification of the specifications.
- 2) Any brand name or product proposed as equal to the one specified, unless the technical specifications explicitly permit approval after award.
- 3) Any sample or engineering detail in which the technical specifications are required to be submitted before bidding, including substitution of any required bid or contract form.
- 4) Any modifications to the specifications that the bidder maintains are restrictive and proposes to be altered, amended or changed.

## **H. Purchasing Office Information**

For questions and clarification regarding the purchasing manual and overall purchasing procedures, please contact the Purchasing Office.

### **Staff**

Ryan Williams – Purchasing Manager

Diana George – Senior Procurement Specialist

Rickie Spivey – Senior Procurement Specialist (Construction)

Rhonda Bell – Department Buyer

Kelly Espejo – Department Buyer

### **Address**

City of Mesquite

1515 N. Galloway Avenue

Mesquite, Texas 75149

### **Phone**

972-216-6201

### **Fax**

972-216-6397

### **Email**

[purchasing@cityofmesquite.com](mailto:purchasing@cityofmesquite.com)

## XI. APPENDIX (Definitions/Terminology)

**Acceptance** - 1. Indication that all parties to the contract agree to be bound by the terms of the contract. 2. An indication by one party of a willingness to act in accordance with the contract or offer. 3. The assumption of a legal obligation by a party to a contract, and to the terms and conditions of that contract. 4. The act of receiving the commodity by an authorized representative with the intention of retaining the commodity. May include transfer of title.

**Acknowledgement** - A written or electronic communication sent by the supplier to the buyer that indicates that the supplier has accepted the order (Purchase Order). It may be a form of acceptance and may create a bilateral contract. It may also be a form of counter offer from the seller to the buyer.

**Addendum/Addenda** - A written change, addition, alteration, correction, or revision to a bid, proposal, or contract document. Addendum/addenda may be issued following a pre-bid/pre-proposal conference or as a result of a specification or work scope change to the project.

**Advertise** - To make a public announcement or legal notice of a solicitation with the goal of increasing the response and broadening the field of competition; often required by law or policy.

**Agency** - 1. A legal relationship that exists between two parties by which one (the agent) is authorized to perform or transact specified business activities for the other (the principal). 2. An administrative or organizational division of a government.

**Agreement** - An understanding, usually in writing, between two or more competent parties, under which one party agrees to certain performance as defined in the agreement and the second party agrees to compensation for the performance rendered in accordance with the conditions of the agreement. Agreements and contracts are sometimes used synonymously.

**All-Or-Nothing Bid (All or None)** - A bid submitted for a number of different items, services, etc., in which the bidder states it will not accept a partial award, but will accept only an award for all the items, services, etc., included in the Invitation for Bids. Because the bidder has qualified their bid, their bid response may be deemed as non-responsive.

**Alternate Bid (Response)** - 1. A substitute bid. 2. A bid submitted with an intentional substantive variation to a basic provision, specification, term, or condition of the solicitation.

**Apparent Low Bidder** - The label used for a bidder that has been determined to have provided the lowest price in a bid or quote, prior to determination of whether the bid is from a responsive and responsible bidder.



**As To Form** - Documents and agreements that are approved by an attorney for legal sufficiency prior to their execution while not commenting on the business merits of their contents.

**Award** – The act of accepting a bid, thereby forming a contract between the City and a bidder.

**Award Item by Item** - A contract award that may be made to multiple suppliers as each item is awarded typically on the basis of the lowest unit price when being utilized in the bid process. This method offers the best pricing to the public entity, but requires significant contract administration if multiple suppliers are selected for award.

**Best and Final Offer (BAFO)** - A process requested from one proposer or short-listed proposers for their best price(s) for a specific solicitation prior to determining of contract award. Sometimes referred to as BAFO and utilized during the Request for Proposals method of procurement.

**Best Value** - 1. A procurement method that emphasizes value over price. The best value might not be the lowest cost. Generally achieved through the Request for Proposals (RFP) method. 2. An assessment of the return that can be achieved based on the total life cycle cost of the item; may include an analysis of the functionality of the item; can use cost-benefit analysis to define the best combinations of quality, services, time, and cost considerations over the useful life of the acquired item.

**Bid** – An offer to contract with the state submitted in response to a bid invitation issued by City/Entity.

**Bid Bond** - 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 bid, or else the surety will pay a specific amount.

**Bid Opening** - The official process in which sealed bids are opened, usually in the presence of one or more witnesses, at the time and place specified in the Invitation for Bids. The amount of each bid is recorded and bids are made available for public inspection. The bid opening may be open to the public.

**Bid Tabulation** - A summary document of all responsive bidders with their total extended prices, which the agency has calculated and verified to ensure accuracy. It may also include unit prices for each item, total prices, delivery terms and conditions, whether each bidder has met the requirements for licenses, bonds, evidence of insurance, or other information deemed appropriate by the contracting officer.

**Bidder** - A person or entity who submits a bid in response to an Invitation for Bids (IFB), Invitation to Tender (ITT), or other formal solicitation type where price is the primary factor in the evaluation process for award determination.

**Blanket Order** - 1. An agreement to purchase goods from a specific supplier over a defined period of time, up to a maximum dollar amount. 2. A blanket order generally includes established prices, terms and conditions for a defined period of time, although no quantities are specified; shipments are to be made when and as required by the purchaser, which, in certain cases, may be the end user.

**Breach of Contract** - Failure by either contracting party to fulfill a contract, wholly or in part, without legal excuse.

**Cash Discount** - A reduction in the full cost of a good or service when payment is made within a specified period of time, e.g., 2% 10 net 30.

**Centralized Master Bidders List (CMBL)** – A database maintained by TPASS containing the names and address of registered vendors, which have provided contact information on goods and services offered.

**Centralized Purchasing** - An organizational structure where the rights, powers, duties, and authority relating to purchasing are vested in the Chief Procurement Officer (CPO). While the CPO may delegate some of these powers to others, the final authority resides with the CPO. Example: Individual operating departments are permitted to release materials from blanket orders that have been issued by the Purchasing Department or they may use the agency's procurement card to make individual purchases for their department.

**Change Order** - A written alteration that is issued to modify or amend a contract or purchase order. A bilateral (agreed to by all parties) or unilateral (government orders a contract change without the consent of the contractor) request that directs the contractor to make changes to the contracted scope of work or specifications. In reference to construction contracts, it relates primarily to changes caused by unanticipated conditions encountered during construction not covered by the drawings, plans, or specifications of the project.

**Collusion** - When two or more parties act together secretly to achieve a fraudulent or unlawful act. May manifest itself in the form of bid collusion when bidders secretly agree to unlawful practices regarding competitive bidding. May inhibit free and open competition in violation of antitrust laws.

**Commodity Code** - A system of words, numbers, or both, designed to identify and list goods and services by classes and subclasses.

**Contract** - 1. An obligation, such as an accepted offer, between competent parties upon a legal consideration, to do or abstain from doing some act. The essential elements of a contract are an offer and an acceptance of that offer; the capacity of the parties to contract; consideration to support the contract; a mutual identity of consent; legality of purpose; and definiteness. 2. A legally binding promise, enforceable by law. 3. An agreement between parties with binding legal and moral force, usually exchanging goods or services for money or other considerations.

Cooperative Procurement (Purchasing) - 1. The action taken when two or more entities combine their requirements to obtain advantages of volume purchases, including administrative savings and other benefits. 2. A variety of arrangements, whereby two or more public procurement entities (or agencies) purchase from the same supplier or multiple suppliers using a single Invitation for Bids (IFB) or Request for Proposals (RFP). 3. Cooperative procurement efforts may result in contracts that other entities may “piggyback.”

**Davis-Bacon Act** - A Federal Law (1931) which requires contractors who perform public works construction projects that are federally funded to pay their workers the prevailing wage rate paid in the area for similar work, as set by the Secretary of Labor.

**Debriefing** - A practice used primarily during the Request for Proposals process, whereby the contracting authority will meet with those parties whose proposals were not deemed appropriate for award. It is viewed as a learning process for proposers who may gain a better understanding regarding perceived deficiencies contained within their submitted proposal.

**Design-Build** - A delivery method for construction projects that combines the architectural, engineering, and construction services required for a project into a single contractual agreement.

**Emergency Purchase** - A purchase made due to an unexpected and urgent request where health and safety or the conservation of public resources is at risk. Usually formal competitive bidding procedures are waived.

**Equal or Approved Equal** - Used to indicate that an item may be substituted for a required item if it is equal in quality, performance, and other characteristics.

**Evaluation Committee/Team** - A committee established to conduct evaluation of proposals, interviews, and negotiations during the solicitation process for a specific product or service. Usually composed of representatives from the functional area identified in the Scope of Work and may include a procurement representation.

**Evaluation Criteria** - Generally used in the Request for Proposals (RFP) method. Qualitative factors that an evaluation committee will use to evaluate/score a proposal and select the most qualified proposer(s). May include such factors as past performance, references, management and technical capability, price, quality, and performance requirements.

**Extended Price** -The price for the total number of items ordered, calculated by multiplying the quantity ordered by the unit price.

**Formal Bid** - A bid that must be submitted in a sealed envelope and in conformance with a prescribed format to be opened in public at a specified date and time.

**Free on Board (F.O.B.) Destination** - Title changes hands from the supplier to the public entity at the destination of the shipment when the public entity signs for the goods; the supplier owns the goods in transit, assumes responsibility for carrier selection, and files any claims for damages incurred during this period. It does not address the responsibility for the cost of transportation (freight charges), which must be specified with the inclusion of additional language.

**Grant** - 1. A transfer of federal government funds to state or local governments to support or stimulate programs authorized by federal or state laws, to accomplish objectives that are locally defined and managed under a broad federal or state program. 2. The furnishing of assistance by a jurisdiction whether financial or otherwise, to any person to support a program authorized by law; does not include an award whose primary purpose is to procure supplies, services, or construction.

**Historically Underutilized Business (HUB)** - Generally refers to minority and women-owned, and small businesses.

**Indemnify** - 1. To protect against hurt or loss; to exempt from incurred penalties or liabilities. 2. To compensate or pay for damage.

**Informal Bid/Proposal** - A competitive bid, price quotation, or proposal for supplies or services that is conveyed by a letter, fax, e-mail, or other manner that does not require a formal sealed bid or proposal, public opening or other formalities. Generally relegated to requirements that may be considered low value or fall under a stipulated price/cost threshold.

**Intergovernmental Cooperative Purchasing** - A variety of arrangements under which two or more governmental entities pool their commodity and/or service requirements to purchase aggregated quantities thus achieving economies of scale. The process usually involves a single combined bid or request for proposals in which all of the participating entities are named or their participation implied.

**Invoice** - A written account or itemized statement, addressed to the purchaser, of merchandise shipped or services performed, together with the quantity and the prices and other charges. An invoice is the seller's bill or written request for payment of work or services performed under the contract.

**Legal Notice** - A public notice required by law, ordinance, or executive order. Generally placed in a newspaper of general circulation or may be posted on a website, magazine, or other media, depending on the specific legal requirements.

**Liquidated Damages** - Damages paid, usually in the form of a monetary payment, agreed to by the parties to a contract, that are due and payable as damages by the party who breaches all or part of the contract. May be applied on a daily basis for as long as the breach is in effect. May

not be imposed as an arbitrary penalty. The key to establishing liquidated damages is reasonableness. It is incumbent upon the buyer to demonstrate, through quantifiable means, that damages did exist.

**List Price** - The published price of a product or service offered by the seller for sale to potential buyers. Due to competition in the marketplace, the list price may be subject to price discounting. If there is limited competition or strong demand, the price may rise.

**Lowest Responsive and Responsible Bidder** -The bidder who fully complied with all of the bid requirements and whose past performance, reputation, and financial capability is deemed acceptable, and who has offered the most advantageous pricing or cost benefit, based on the criteria stipulated in the bid documents.

**No Bid** - A response to an Invitation for Bids (IFB) stating that the offeror does not wish to submit a bid; functions to prevent suspensions from the bidders list for failure to show active interest or submit bids.

**Non-Responsible (Bid)** - A response to a bid or offer from a contractor, business entity, or individual that does not have the ability or capability to fully perform the requirements of the bid or offer. A business entity or individual who does not possess the integrity and reliability to assure contractual performance.

**Non-Responsive (Bid)** - A response to a bid or offer that does not conform to the mandatory or essential requirements contained in the Invitation for Bids (IFB).

**Notice of Award** - A written notification from the public entity to the successful bidder or proposer stating that there is an award of a contract in accordance with a bid or proposal previously submitted. Effective with receipt, the supplier or contractor shall proceed with performance. This allows work to start while the contract is printed and readied for distribution.

**Notice to Proceed (NTP)** - A notice issued to the successful bidder advising them that it is the government's intent to award a contract. In construction contracting, it is common practice to require completion of performance in a specified number of days after issuance of the notice to proceed.

**Option to Renew** - A contract provision that allows a party to reinstate the contract for an additional term, beyond that stated in the original contract, in accordance with contract terms.

**Payment Bond** -A financial or contractual instrument, issued by a surety that guarantees that subcontractors will be paid for labor and materials expended on the contract. Acceptable forms of payment bonds may include cashier's check, certified check, or irrevocable letter of credit

issued by a financial institution; a surety or blanket bond; United States Treasury bond; or certificate of deposit. Also known as Labor and Materials Bond.

**Performance Bond** - An instrument executed, subsequent to award, by a successful bidder that protects the public entity from loss due to the bidder's inability to complete the contract as agreed. A risk mechanism that secures the fulfillment of all contract requirements. May be referred to as a completion bond.

**Pre-Bid/ Pre-Proposal Conference (Meeting)** - A meeting held by the buyer with potential bidders/proposers prior to the opening of the solicitation for the purpose of answering questions, clarifying any ambiguities, and responding to general issues in order to establish a common basis for understanding all of the requirements of the solicitation. May result in the issuance of an addendum to all potential providers. In certain situations, a mandatory conference may be advisable.

**Proposal** - An offer to provide goods or services. A proposal may be made orally or in writing and may or may not be in response to a solicitation distributed by a public agency.

**Proprietary (Information)** - Owned by a private individual or corporation under a patent, copyright, trademark, or other exclusive right. Usually protected from release to the general public. Not subject to public disclosure.

**Protest** - A written objection by an interested party to a solicitation or award of a contract with the intention of receiving a remedial result.

**Public Notice** - An announcement made by a public agency concerning a solicitation or other information of general public interest. Usually placed in a newspaper of general circulation, a web-site, circular, magazine, or other vehicle of general publication. Must comply with legal requirements of the jurisdiction.

**Purchase Order** - A purchaser's written document to a supplier formalizing all the terms and conditions of a proposed transaction, such as a description of the requested items, cost of items being purchased, delivery schedule, terms of payment, and transportation.

**Qualified Bidder** - A bidder determined by the purchasing organization to meet the minimum standards of business competence, reputation, financial ability, and product quality for placement on the bidders list.

**Qualified Products List (QPL)** - A list of products identified by manufacturers' names and model numbers that are the only items that meet the minimum specifications as determined by the using entity. These products are used when quality is such a critical factor and testing so lengthy or expensive that the entity wants to stay with proven products. The list is prepared by testing products, either in the



lab or in daily use. Items may be added to the list by the supplier demonstrating their quality by meeting specifications that have been defined by the using entity.

**Quote** - An informal purchasing process which solicits pricing information from several sources.

**Request for Information (RFI)** - A non-binding method whereby a jurisdiction publishes via newspaper, Internet, or direct mail its need for input from interested parties for an upcoming solicitation. A procurement practice used to obtain comments, feedback, or reactions from potential responders (suppliers, contractors) prior to the issuing of a solicitation. Generally, price or cost is not required. Feedback may include best practices, industry standards, technology issues, etc.

**Request for Proposals (RFP)** - The document used to solicit proposals from potential providers (proposers) for goods and services. Price is usually not a primary evaluation factor. Provides for the negotiation of all terms, including price, prior to contract award. May include a provision for the negotiation of best and final offers. May be a single-step or multi-step process. Introduced in the Armed Services Procurement Act of 1962 as well as by the Competition in Contracting Act of 1984.

**Request for Qualifications (RFQ)** - A document, which is issued by a procurement entity to obtain statements of the qualifications of potential responders (development teams or consultants) to gauge potential competition in the marketplace, prior to issuing the solicitation.

**Requisition** - An internal document by which a using agency sends details of supplies, services, or materials required to the purchasing department.

**Responsible Bidder/Proposer** - A business entity or individual who has the financial and technical capacity to perform the requirements of the solicitation and subsequent contract.

**Responsive Bidder/Proposer** - A business entity or individual who has submitted a bid or proposal that fully conforms in all material respects to the Invitation for Bids (IFB)/Request for Proposals (RFP) and all of its requirements, including all form and substance.

**Retainage** - A specified amount or percentage of the progress payment due usually under a construction contract. Upon completion of all contract requirements, retained amounts must be paid promptly.

**Schedule of Events** - Also referred to as a "timetable or timeline." It identifies the projected milestones in the procurement process from the beginning of the procurement to its finalization.

**Scope of Work** - A scope of work is a written description of the entity's needs and desired outcomes for the procurement and becomes the basis for any resulting solicitation.



**Sealed Bid** - A formal submission from a bidder submitted in response to an Invitation for Bids (IFB). It is submitted in a sealed envelope to prevent its contents from being revealed before the time and date set for the bid opening.

**Sole Source Procurement** - A situation created due to the inability to obtain competition. A procurement method where only one supplier possesses the unique ability or capability to meet the particular requirements of the solicitation. The purchasing authority may require a justification from the requesting department within the agency explaining why this is the only source for the requirement.

**Solicitation** - An Invitation for Bids, a Request for Proposals, telephone calls, or any document used to obtain bids or proposals for the purpose of entering into a contract.

**Specification** - A precise description of the physical characteristics, quality, or desired outcomes of a commodity to be procured, which a supplier must be able to produce or deliver to be considered for award of a contract.

**Statement of Work** - The response from the supplier/contractor outlining very specifically how the supplier proposes to complete the work as outlined in the Scope of Work. It defines what will be done, how, by whom, and cost factors

**Termination for Default** - A contract clause that may be contained within boilerplate language that allows either contracting party the right to cancel a contract, either in whole or in part, due to failure of the other party to perform satisfactorily

**Unit Cost** - The cost of a unit of product or service, found by dividing the total costs for a given period of operation by the number of units produced in that period of operation.

**Unit Price** - The cost per unit of a product or service; e.g., price per ton, per labor hour, or per foot.

**Vendor** - A person or entity that provides goods and/or services, usually for low-cost, low-risk, and short-term engagements.

## XII. ATTACHMENTS

- A. Purchasing Card Application – *Attachment A*
- B. Purchasing Card Cardholder Credit Card Agreement – *Attachment B*
- C. Purchasing Card Missing Documentation Form – *Attachment C*
- D. Purchasing Card Disputed Item Form – *Attachment D*

**City of Mesquite, Texas  
Purchasing Card Program  
Purchasing Card Application**

**New Application**

**Revision to Current Approved Application**

The individual below is seeking authorization to utilize the City of Mesquite Purchasing Card Program. As a City of Mesquite Department Director, you are entrusting, empowering and delegating authority to the individual below to make purchases on behalf of your department.

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**CARDHOLDER INFORMATION:**

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First Name	Middle Initial	Last Name
_____	_____	_____
Cell Phone	Work Phone	Employee ID Number
_____	_____	_____
Work Email Address	Cardholder Signature	Date
_____	_____	_____

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**DEPARTMENT INFORMATION:**

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Department / Division Name  
\_\_\_\_\_

---

Department Administrator (DA) for Purchasing Card Program	DA Work Phone	
_____	_____	
Default ORG	Default Object	\$ Desired Credit Limit
_____	_____	_____

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**APPROVALS:**

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Director Printed Name	Director Signature	Date
_____	_____	_____
Program Administrator Printed Name	Program Administrator Signature	Date
_____	_____	_____

***Requests for credit limits over \$1,000 require approval by the Director of Finance:***

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Director of Finance Printed Name	Director of Finance Signature	Date
_____	_____	_____

**City of Mesquite, Texas**  
**Purchasing Card Program**  
**Cardholder Credit Card Agreement**

Each cardholder is required to sign a *Cardholder Credit Card Agreement* which states that he or she understands the rules, regulations, and procedures of the City Purchasing Card Program. The agreement is as follows:

- The City of Mesquite, Texas is pleased to present you with this credit card for official City use. It represents trust in you and your empowerment as a responsible agent for the City to safeguard and protect City assets.
- The undersigned hereby acknowledges receipt of a City of Mesquite, Texas Visa credit card No. XXXX-XXXX-XXXX-\_\_\_\_\_. As an authorized cardholder, the undersigned agrees to comply with the terms and conditions of this Agreement, the credit card procedures, and any policies or rules governing credit card usage adopted by the City from time to time.
- The undersigned acknowledges receipt of a copy of this Agreement and confirms that he or she has read and understands the terms and conditions set forth herein. The undersigned acknowledges that the City of Mesquite, Texas is liable to the Bank and/or credit card company for all City of Mesquite charges made pursuant to this credit card. In the event this credit card is lost or stolen and the employee is negligent in informing the City, the undersigned shall be liable for any deductible or other expenses or cost charged by the Bank and/or credit card company to the City of Mesquite, Texas for unauthorized use of the lost or stolen credit card.
- The undersigned further agrees that this credit card may be used only for City-approved purchases and that the credit card may not be used to finance personal purchases. The undersigned agrees and acknowledges that the City of Mesquite, Texas may audit the undersigned's use of this credit card and will report any unauthorized use or charges to the employee and his or her Department Director. The undersigned shall be liable for all unauthorized charges made through the use of this credit card.
- The undersigned understands that the unauthorized, improper, or misuse of this credit card may result in disciplinary action up to and including termination of employment. The undersigned further understands that any unauthorized, improper, or misuse of this credit card may subject the undersigned to criminal prosecution and/or to civil suit for the collection of any sums due and owing to the Bank and/or credit card company. The undersigned hereby authorizes the City of Mesquite, Texas to implement a payroll deduction and to deduct from his or her salary and other compensation due an amount equal to the total of any unauthorized charges to the City credit card account. The undersigned further agrees that the City of Mesquite, Texas may collect any amounts owed by him or her as a result of unauthorized, improper, or misuse of this credit card even if he or she is no longer an employee of the City.

- The undersigned further understands that the City of Mesquite, Texas may terminate his or her right to use this credit card at any time for any reason. The undersigned agrees to immediately return this credit card to his or her supervisor immediately upon request or upon termination of employment.
- The undersigned acknowledges completion of the required Purchasing Card Program training (note date of training here \_\_\_\_\_).

\_\_\_\_\_  
Cardholder Printed Name

\_\_\_\_\_  
Cardholder Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Program Administrator Printed Name

\_\_\_\_\_  
Program Administrator Signature

\_\_\_\_\_  
Date

**City of Mesquite, Texas  
Purchasing Card Program  
Missing Documentation Form**

INSTRUCTIONS: Use this form to document any purchases or registrations for which there is no itemized receipt/purchasing confirmation available or if an invoice is illegible. Complete this form and submit to the Department Director for approval and then submit to the Department Administrator for processing with all other credit card receipts.

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\_\_\_\_\_  
Vendor Name \_\_\_\_\_  
Date/Time of Vendor Contact

\_\_\_\_\_  
Vendor Contact Person \_\_\_\_\_  
Vendor Phone Number

\_\_\_\_\_  
Vendor Street Address City State Zip

\_\_\_\_\_  
List Item(s) Description & Amount(s) Below: \_\_\_\_\_  
Transaction/Purchase Date:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Total Amount \$ \_\_\_\_\_

Provide explanation of why required receipt is not available:  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Cardholder's Printed Name \_\_\_\_\_  
Cardholder's Signature \_\_\_\_\_  
Date

XXXX-XXXX-XXXX-  
\_\_\_\_\_  
Card Account Number (last four digits only)

\_\_\_\_\_  
Director's Printed Name \_\_\_\_\_  
Director's Signature \_\_\_\_\_  
Date

**City of Mesquite, Texas  
Purchasing Card Program  
Statement of Disputed Item**

INSTRUCTIONS: Every effort should be made to settle a claim directly with the merchant. If further assistance is needed, please complete this form and submit it to the Program Billing Administrator in the City of Mesquite Accounting Department within 60 days from the billing close date. The Program Billing Administrator will contact the Bank as necessary.

**CITY OF MESQUITE, TEXAS** \_\_\_\_\_

Company Name

\_\_\_\_\_   
Cardholder Name (as it appears on the card)

XXXX-XXXX-XXXX- \_\_\_\_\_

Card Account Number (last four digits only)

**DISPUTED ITEM DETAILS:**

Statement Date: \_\_\_\_\_

Transaction Date: \_\_\_\_\_

Merchant Name: \_\_\_\_\_

Description: \_\_\_\_\_

Amount: \$ \_\_\_\_\_ Posting Date: \_\_\_\_\_ Reference Number: \_\_\_\_\_

**Check the item below that best describes the disputed situation:**

\_\_\_\_\_ **Charge Amount Does Not Agree with Order Authorizing the Charge**  
The amount of the sales draft has been altered from \$ \_\_\_\_\_ to \$ \_\_\_\_\_  
(Please include copy of sales draft)

\_\_\_\_\_ **Unauthorized Transaction**  
I certify the charge listed above was not authorized by me or any person authorized by me to use this account. I have not ordered merchandise by phone or mail, or received goods and services as represented above.

\_\_\_\_\_ **Cardholder Dispute**  
I did participate in the above transaction, however, I dispute the entire charge, or a portion, in the amount of \$ \_\_\_\_\_ Because: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ **Credit Not Received**  
The merchant has issued me a credit slip for the transaction listed above, however, the credit has not posted to my account. The date on the voucher is between 30 and 90 days old.  
(Please include a copy of the credit voucher)

\_\_\_\_\_ **Double or Multiple Charges**  
The above transaction represents multiple billing to my account. I only authorized one charge from this merchant for \$ \_\_\_\_\_. I am still in possession of my card.

\_\_\_\_\_ **Merchandise or Services Not Received**  
My account has been charged for the above transaction, however I have not received the merchandise or services. Expected delivery date was \_\_\_\_\_ I have contacted the merchant.

**CONTINUED ON OTHER SIDE**



\_\_\_\_\_ **Credit Appears as a Charge**

The enclosed Credit Voucher appeared as a charge on my credit card account.

\_\_\_\_\_ **Merchandise Returned**

My account has been charged for the above transaction, however the merchandise has been returned.

Description of circumstances for return: \_\_\_\_\_

\_\_\_\_\_  
(Please include postal receipt of return if applicable)

\_\_\_\_\_ **Inadequate Description/Unrecognized Charge**

I do not recognize this charge. Please supply a copy of the sales draft for my review.

\_\_\_\_\_ **Hotel Reservation Cancelled**

I made a reservation with the above hotel which I later cancelled on \_\_\_\_\_ (date) at \_\_\_\_\_ (time) with a cancellation number of \_\_\_\_\_. Please describe how the reservation was cancelled, proof of cancellation and attempts to resolve the issue with the merchant.  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ **I am no longer disputing this charge**

\_\_\_\_\_  
Cardholder's Printed Name

\_\_\_\_\_  
Cardholder's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
\_\_\_\_\_  
**FOR ACCOUNTING USE ONLY BELOW THIS LINE**  
\_\_\_\_\_  
\_\_\_\_\_

**NOTES:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Program Billing Administrator Printed Name

\_\_\_\_\_  
Program Billing Administrator Signature

**Date Submitted to Bank for Research/Resolution:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**BANK INFORMATION FOR SUBMITTING DISPUTE**  
\_\_\_\_\_  
\_\_\_\_\_

**Bank of America – Commercial Card Services  
PO Box 53101  
Phoenix AZ 85072-3101  
Phone: 866-601-4414 Fax: 888-678-6046  
Number to call for status on dispute: 866-601-9490**