



**POLICY: Purchasing Card Program Policy**

ORIGINAL ADOPTION: June 2015

REFERENCE NO. FIN-005

Updated: April 2026

**Policy Statement**

The Purchasing Card (P-Card) Program strives to improve the business-related purchasing process and to make payments to vendors in an efficient, cost-effective manner. This policy is pursuant to Minn. Stat. § 471.382 under which the City Council may authorize the use of a P-Card by City officers or employees.

Authorized employees whose duties, responsibilities, and purchasing practices warrant the use of a P-Card may participate in the Purchasing Card Program. The P-Card must only be used for city business-related, allowable goods, services purchases and authorized travel expenses. The P-Card shall only be used sparingly and when the situation warrants (*e.g.*, online purchases). Authorized employees shall be responsible for complying with this policy.

**Policy Overview**

The City of Mound utilizes U.S. Bank to facilitate its Purchasing Card Program. Any other type of store, business, individual liability, or corporate *credit or purchase card* account is not allowed. P-Card purchases must be made in accordance with the Procurement Policy (FIN-003) and must be less than \$5,000.

**Allowable** purchases include goods and services, travel, advertising, subscriptions and publications, association memberships, and conference and seminar registration fees.

**Non-allowable purchases** include contracted goods and services, including professional services, gift cards, personal expenses (including personal travel-related expenses, cash advances, entertainment goods and services, betting, fines, and travel per diem items).

**Roles and Responsibilities**

- A. **City Council:** Set the P-Card Program Policy for employees.
- B. **City Manager:**
  - 1. Direct the appropriate staff to establish, implement, support, manage, and modify the P-Card Program procedures necessary to carry out and comply with the Procurement Policy (FIN-003).
  - 2. Direct the appropriate staff to implement internal controls and compliance monitoring.
- C. **Department Head:**

1. Ensure that P-Card usage is consistent with City Policies and Procedures, Administrative Code, and Public Purpose Doctrine.
2. Authorize permanent employees of the department to act as approvers and cardholders of the program.
3. Notify the Finance Department of any staff changes that affect the program and/or approval within the department.

D. **P-Card Users (employees):** Comply with City Policies and Procedures, the Administrative Code, and the Public Purpose Doctrine.

Related Procedure:

Purchasing Card Program Procedure