



# CITY OF MANTECA PURCHASING POLICY

# ***City of Manteca***

## **Purchasing Procedures Manual**

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# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Introduction**

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The Purchasing Policy manual was prepared to translate common practice purchasing procedures, formal procedures adopted in the Municipal Code and the California Public Contract Code (PCC) into a concise, easily understood practices and procedures manual.

The establishment of these guidelines provides a direction for City staff in the purchase of goods and services at competitive prices. The basic purchasing guideline is to obtain quality supplies, services, vehicles, and equipment required for the proper operation of the City of Manteca, in the most cost-effect manner possible.

The information in this manual is primarily for non-public works projects. The requirements for these types of purchases do not contain or repeat State requirements, nor is it intended to conflict with or supersede State requirements. In the event of any conflict between the provision of these guidelines for non-public works projects, State law or City ordinance/resolution, the more stringent requirement should prevail.

Public works projects are covered by the PCC. This PCC encompasses projects that are generally large and involve construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility. Because these projects are significantly different from general purchases, maintenance and repair services, and professional services, bidding and threshold limits are significantly different from non-public works projects.

These guidelines should be recognized as a dynamic document that will likely change as City personnel find more effective and efficient ways to accomplish tasks and achieve goals. Administrative changes to these purchasing guidelines that do not affect purchasing authority or thresholds may be issued by the Finance Director to address operational needs. All other changes must be approved by the City Council.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purpose**

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In order to establish efficient procedures for the purchase of supplies and equipment at the lowest possible cost commensurate with quality and quantity needed, and to clearly define authority and responsibilities for the purchasing function, the following purchasing procedures are adopted as the Purchasing Procedures Manual “Purchasing Policy” pursuant to Manteca Municipal Code Section 3.24.020.

The City Council by ordinance has designated the City Manager to be the Purchasing agent for the City. The City Manager may delegate the duties and responsibilities of the purchasing function, as outlined in this policy, to the Finance Director as deemed necessary for maximum efficiency and control. The City Manager or designee is vested with authority to review and approve purchase requests with regard to quantity, quality, needs, budgetary appropriation and financial condition. No expenditures shall be made without the appropriate reviews and approvals as provided for in this policy. This purchasing system implements sections 54201 through 54205 of the California Government Code.

The City of Manteca is a decentralized purchasing agency. Designated employees, within each department, shall have the authority to procure budgeted supplies and services as outlined in this policy. This allows for the continuous supply of goods and services necessary to support the City’s operation and meet the City’s obligations to the public.

The purpose of this policy is to define purchase and contract types and to set forth the procedural requirements for these various types of contracts. Contracts may include but are not limited to:

- Contracts for consultant or professional services;
- Contracts for the purchase of commodities, equipment, and general services, including maintenance contracts on same; and
- Contracts for public projects as defined by Public Contract Code section 20161.

All purchases and contracts for contracted services, commodities, equipment, and other personal property required by any department shall be made on behalf of the City in accordance with this policy, except as otherwise provided by state law.

A purchase or contract may be initiated only if sufficient funds have been appropriated and for which there is an unexpended and unencumbered remaining balance sufficient to pay for the purchase or contract. For items not identified or approved in the budget, departments are to gain approval to seek bids from the City Manager prior to soliciting bids. Thereafter, the City Council is to make the award to the successful bidder.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing - General Purchases**

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#### **Summary**

General purchases include commodities, supplies, materials and equipment. General purchases of over \$5,000 but less than \$25,000 shall be considered capital outlay and must be included in the purchasing department's approved operational budget. Purchases totaling \$25,000 or more shall be considered a Capital Improvement Project (CIP) and must be included in the City's adopted Capital Improvement Plan.

The Department Director or designee shall be responsible for monitoring the project account balance during the course of the project to ensure that overages do not occur. The tracking number or resolution number (if Council approval was required) shall accompany any and all request for payments to the Finance Department.

#### **Purchasing Thresholds**

All purchasing thresholds are inclusive of sales tax, shipping, and all other charges associated with the purchase. Purchases shall not be split or separated into smaller purchases for the purpose of evading the provisions of the "Purchasing Policy."

All purchases over \$1,000 require an approved Purchase Order (PO). No purchase in excess of this amount can be made until an authorized PO has been issued.

Prior to proceeding with any purchase, the Department Director or designee shall determine that unencumbered funds are available in the budget.

#### **Purchases of \$1,000 or less**

For purchases of \$1,000 or less, authorized department personnel may exercise personal discretion with regard to vendor choice with preference given to local merchants.

#### **Purchases of more than \$1,000 but less than \$10,000**

Authorized department personnel shall acquire at least three (3) verbal, written, or internet vendor quotes. Each vendor must be given the exact information provided to all other vendors. Responses, including non-responsive vendors, shall be included on the Purchase Order Quote Form.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing - General Purchases (continued)**

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The use of this form ensures that the department has on file the following information:

- Date of request for quote
- Department
- G/L Account and Project number (if required)
- Exact items/quantity requested for quote
- Vendor information (contact information including vendor number)
- Vendor's response to request for quote
- Justification for selection of vendor

A PO will be initiated at the department level. The Purchase Order Quote Form along with all related documentation will be submitted to the Finance Department for review, final approval, and formal issuance of a PO.

#### **Purchases of more than \$10,000 but less than \$50,000**

Authorized department personnel shall acquire written quotes from at least three (3) vendors. Each vendor must be given the exact information provided to all other vendors. Responses, including non-responsive vendors, shall be included on the Purchase Order Quote Form. The use of this form ensures that the department has on file, the following information:

- Date of request for quote
- Department
- G/L Account and Project number (if required)
- Exact items/quantity requested for quote
- Vendor information (contact information including vendor number)
- Vendor's response to request for quoted
- Justification for selection of vendor

A PO will be initiated at the department level. The Purchase Order Quote Form along with all related documentation will be submitted to the Finance Department for review, final approval, and formal issuance of a PO.

#### **Purchases of \$50,000 or more**

A formal bid is required if the estimated dollar amount of the purchase, including tax, shipping and other related costs, is \$50,000 or more, or if the accumulated amount of multiple purchases of the same item is expected to exceed \$50,000 in any one fiscal year. In all cases, price shall be the determining factor of bid selection.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing - General Purchases (continued)**

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- The Department Director or designee shall prepare a bid package to solicit bids from qualified vendors. The bid package shall consist of the following elements:
  - Notice Inviting Bids
  - Information to Vendors
  - Product Specifications
  - Proposal Format
  - City of Manteca Insurance Requirements (if applicable)
  
- The City Clerk or designee shall follow bid procedures regarding posting of notices, receiving bids, and opening and processing bids.
  
- The Department Director or designee shall prepare an agenda report recommending the City Council award the purchase to the lowest responsible bidder.
  
- Upon award of the purchase by the City Council, the Department Director or authorized department personnel shall submit a Purchase Order request with award recommendation and documentation including contract, if applicable, to the Finance Department for final approval and issuance of a PO.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing - General Services Agreements**

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#### **Summary**

General Services Agreements (GSA) are not strictly professional in nature, but arise where operations, repair and maintenance services, or other services of a non-professional nature, are provided to the City. GSA that typically fall into this category include:

- maintenance or nonstructural repair of city buildings, structures or improvements which does not require engineering plans, specifications or design including but not limited to, fire extinguisher maintenance, minor roof repairs, plumbing, electrical, HVAC, elevator maintenance, custodial services, and pest control;
- maintenance of landscaping and public grounds
- maintenance and repairs of office machines and city equipment
- lease or rental of office equipment
- laboratory services including the cleaning, analysis, and testing of city supplies, equipment, and waste products
- providing temporary personnel services
- providing other services to facilitate city operations such as telecommunications and utilities

Both qualifications and pricing shall be considered when awarding General Services Agreements. While cost efficiency should be held in the highest regard, other considerations may be taken into account. These factors include, but are not limited to, ability of the vendor to deliver, ability to service, prior experience, quality, compatibility with existing City equipment and other particular needs of the City.

All agreement thresholds are inclusive of sales tax, shipping, and all other charges associated with the provision of the service. Services shall not be split or separated into smaller purchases for the purpose of evading the provisions of the "Purchasing Policy."

Prior to proceeding with any agreement, the Department Director, or designee, shall determine whether unencumbered funds are available in the budget. The Department Director, or designee, shall be responsible for monitoring the project account balance during the course of the project to ensure that overages do not occur. The tracking number or resolution number (if Council approval was required) and Contract Tracking Sheet (see Appendix) shall accompany any and all request for payments to the Finance Department.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing- General Services Agreements (continued)**

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#### **Agreement Execution**

Prior to final GSA execution, the following approvals must be received and actions taken.

1. **City Attorney** – review and approve maintenance agreement. A vendor’s own maintenance agreement can be utilized, provided that the City Attorney has reviewed and approved what is considered to be a non-standard agreement.
2. **City Clerk** –assign agreement number for tracking and review GSA for required signatures and documentation.
3. **Risk Management** – review and approve required insurance documentation. Generally, if there is a risk of personal injury or property damage from the City’s procurement of services, insurance may be required as a condition of contract approval.
4. **Finance** – review and approve that services requested have been budgeted and that sufficient unencumbered funds are available.
5. **Signatures** – GSA should be signed by the other party except in the instance of a public entity or railroad in which instance it may be signed by first by the authorized city representative.
6. **Final Execution** – the City Clerk will process the final execution of the agreement. One original copy of the agreement shall be retained by the City Clerk’s Office as the official record. One original copy of the agreement will be forwarded to the initiating department to be forwarded to the vendor.

#### **Agreement Authority**

City Council approval is required for each General Service Agreement as defined above unless otherwise granted to another city representative.

The City Council delegates authority to enter into General Services Agreements as follows:

1. **Department Directors** - Department Directors are authorized to award and sign General Services Agreements in an amount not to exceed \$10,000 provided that the funds were approved by the City Council as part of the annual Department budget. This authorization cannot be delegated and contracts cannot exceed one-year in length.
2. **City Manager** – The City Manager is authorized to award and sign General Services Agreements in an amount not to exceed \$75,000 provided that the funds were approved by the City Council as part of the annual Department budget. This authorization cannot be delegated and contracts cannot exceed three-years in length.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing- General Services Agreements (continued)**

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#### **Authorization to Amend Agreements**

If circumstances arise that were not reasonably foreseeable by the parties at the time of executing the Agreement which make extra work necessary for the proper completion of the service originally contracted for, a contract amendment and corresponding increase in total contract amount may be necessary. For purposes of this policy, “total agreement amount” shall be defined as the total consideration paid over the term of the agreement, including any previous amendments to the contract. “Original agreement amount” shall be defined as the amount of compensation agreed upon when the agreement was first executed. Amendment authority may not exceed 10% of the original agreement amount.

1. **Department Directors** - Department Directors overseeing the agreement may sign agreement amendments if the amendment will not cause the total agreement amount to exceed \$11,000.
2. **City Manager** – For all agreements entered into within the City Manager’s authority, the City Manager may sign agreement amendments if the amendment will not cause the total agreement amount to exceed \$82,500.

For all amendments to agreements entered into with City Council approval, unless otherwise authorized by Resolution, City Council approval will be required.

#### **Agreement Award Process**

##### **General Services Agreements of \$1,000 or less**

Contracts are not required for services of \$1,000 or less. Authorized department personnel may exercise discretion with regard to vendor choice with preference given to local merchants.

##### **General Services Agreements of more than \$1,000 but less than \$50,000**

Services of greater than \$1,000 but less than \$50,000 require a maintenance agreement. Authorized department personnel shall acquire written quotes from at least three (3) vendors. However, this requirement may be waived by the City Manager depending upon the nature of the service to be provided. Each vendor must be given the exact information provided to all other vendors. Responses, including non-responsive vendors, shall be taken into consideration when awarding a maintenance/service agreement.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing - General Services Agreements (continued)**

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#### **General Services Agreements of \$50,000 or more**

Services of \$50,000 or more require a formal Request for Proposal (RFP) process. As a rule, proposals from a minimum of three prospective vendors shall be solicited. The RFP is a competitive formal bid process in which the City solicits proposals from potential vendors. Proposals are evaluated against both stated requirements and pre-defined evaluation criteria in which price is not the only factor. As a rule, proposals from a minimum of three prospective vendors shall be solicited. However, this requirement may be waived by the City Manager depending upon the nature of the service to be provided.

Each vendor must be given the exact information provided to all other vendors. Responses, including non-responsive vendors, shall be taken into consideration when awarding a maintenance/service agreement. The RFP document describes the City's requirements and desired outcomes within a written specification, solicits vendors for their proposed solutions, describes key criteria to be used in the evaluation of proposal and outlines the terms and condition under which the vendor will operate or provide services.

The formal RFP process shall include:

1. **Request for proposals:** The RFP shall include a general description of the services to be procured, a proposed services agreement, insurance requirements, criteria for evaluation of proposals, and the time and place for submission of proposals. Proposers shall submit sealed proposals.
2. **Evaluation of proposals:** All responsive proposals shall be reviewed and evaluated by the City in order to determine which proposer best meets the City's needs by demonstrating the competence and qualifications necessary for the satisfactory performance of the required services. Cost efficiency should be held in the highest regard; however, other considerations may be taken into account. The City reserves the right to reject any and all proposals or waive any irregularities in any proposal or the proposal process.
3. **Award of agreement:** The City Manager will award agreements for services with a value of \$50,000 or greater but less than or equal to \$75,000. The City Council shall award all agreements with a value of greater than \$75,000 or for a time period in excess of three years.
4. **Exception:** The formal RFP process may be waived when processed through a cooperative purchase agreement with another public agency as outlined in Additional Purchasing Options - Cooperative Purchasing Program on page 24.

# **City of Manteca**

## **Purchasing Procedures Manual**

### **Purchasing - Professional Services Contracts**

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#### **Summary**

Professional services are provided by independent contractors and may include but are not limited to architectural, engineering, testing, land surveying, appraising, environmental, planning, financial, legal, development processing, governmental operations, special studies, construction project management and other related services. These services may include unique services or other specialized abilities.

Contracts for professional services must be based on demonstrated competence, professional qualifications for the services required, availability, and fair and reasonable cost. Cost cannot be the sole basis for awarding a professional contract.

All professional consulting services must be conducted by way of a contract for professional services. The following are general guidelines as contracts for consultant services may vary on a case-by-case basis.

Prior to proceeding with any agreement, the Department Director or his/her designee shall determine whether unencumbered funds are available in the budget. The Department Director, or designee, shall be responsible for monitoring the project account balance during the course of the project to ensure that overages do not occur. The tracking number or resolution number (if Council approval was required) and Contract Tracking Sheet (see Appendix) shall accompany any and all request for payments to the Finance Department.

#### **Contract Execution**

Prior to final contract execution, the following approvals must be received and actions taken.

1. **City Attorney** – review and approve contract or Professional Services Agreement (PSA). A vendor's own agreement can be utilized, provided that the City Attorney has reviewed and approved what is considered to be a non-standard agreement.
2. **City Clerk** – assign agreement number for tracking and review contract or PSA for required signatures and documentation.
3. **Risk Management** – review and approve required insurance documentation. Generally, if there is a risk of personal injury or property damage from the City's procurement of services, insurance may be required as a condition of contract approval.
4. **Finance** – review and approve that services requested have been budgeted and that sufficient unencumbered funds are available.
5. **Signatures** – Contract or PSA should be signed by the other party except in the instance of a public entity or railroad in which instance it may be signed by first by the authorized city representative.

# **City of Manteca**

## **Purchasing Procedures Manual**

### **Purchasing - Professional Services Contracts (continued)**

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6. **Final Execution** – the City Clerk will process the final execution of the contract or PSA. One original copy of the agreement shall be retained by the City Clerk’s Office as the official record. One original copy of the agreement will be forwarded to the initiating department to be forwarded to the vendor.

#### **Contract/Agreement Authority**

City Council approval is required for each contract or Professional Services Agreement as defined above unless otherwise granted to another city representative.

The City Council delegates authority to enter into Professional Services Agreements as follows:

1. **Department Directors:** Department Directors are authorized to award and sign Professional Services Agreements in an amount not to exceed \$10,000 provided that the funds were approved by the City Council as part of the annual Department budget. This authorization cannot be delegated and contracts cannot exceed one-year in length.
2. **City Manager:** The City Manager is authorized to award and sign Professional Services Agreements in an amount not to exceed \$75,000 provided that the funds were approved by the City Council as part of the annual Department budget. This authorization cannot be delegated and contracts cannot exceed three-years in length.

#### **Authorization to Amend Agreements**

If circumstances arise that were not reasonable foreseeable by the parties at the time of executing the Agreement which make extra work necessary for the proper completion of the service originally contracted for, a contract amendment and corresponding increase in total contract amount may be necessary. For purposes of this policy, “total agreement amount” shall be defined as the total consideration paid over the term of the agreement, including any previous amendments to the contract. “Original agreement amount” shall be defined as the amount of compensation agreed upon when the agreement was first execute. Amendment authority may not exceed 10% of the original agreement amount.

1. **Department Directors** - Department Directors overseeing the agreement may sign agreement amendments if the amendment will not cause the total agreement amount to exceed \$11,000.
2. **City Manager** – For all agreements entered into within the City Manager’s authority, the City Manager may sign agreement amendments if the amendment will not cause the total agreement amount to exceed \$82,500.

For all amendments to agreements entered into with City Council approval, unless otherwise authorized by Resolution, City Council approval will be required.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing - Professional Services Contracts (continued)**

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#### **Contract/Agreement Award Process**

##### **Professional Services Contracts of \$1,000 or less**

Contracts are not required for services of \$1,000 or less. Authorized department personnel may exercise his/her own discretion with regard to vendor choice with preference given to local merchants

##### **Professional Services Contracts of more than \$1,000 but less than \$75,000**

Services of greater than \$1,000 but less than \$75,000 require a Professional Service Agreement (PSA). Authorized department personnel shall acquire written quotes from at least three (3) vendors. However, this requirement may be waived by the City Manager depending upon the nature of the service to be provided. Each vendor must be given the exact information provided to all other vendors. Responses, including non-responsive vendors, shall be taken into consideration when awarding a PSA.

##### **Professional Services Contracts of more than \$75,000**

Services of greater than \$75,000 require a Formal Request for Proposal (RFP) process. The RFP is a competitive formal bid process in which the City solicits proposals from potential vendors. Proposals are evaluated against both stated requirements and pre-defined evaluation criteria in which price is not the only factor. As a rule, proposals from a minimum of three prospective vendors shall be solicited. However, this requirement may be waived by the City Manager depending upon the nature of the service to be provided.

The RFP process for Public Works contracts funded in part or in whole by Federal or State funds may have additional requirements. The most current Local Assistance Procedures Manual (LAPM) should be reviewed prior to the issuance of an RFP.

The RFP document describes the City's requirements and desired outcomes within a written specification, solicits vendors for their proposed solutions, describes key criteria to be used in the evaluation of proposal and outlines the terms and condition under which the vendor will operate or provide services.

The general selection criteria for RFP evaluation includes:

1. Qualifications
2. The firm's experience with similar projects
3. Schedule of completion of the project; and
4. Price (unless precluded by State or Federal law)

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing - Professional Services Contracts (continued)**

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Based on the results of the initial screening process, the top firm(s) may be invited to present their qualifications. Based upon the qualifications and the presentations, the City shall rank order the firms. The City may negotiate the price, terms, and conditions of the project with the top firm. The City also reserves the right to negotiate with another top-ranked firm if an agreement cannot be reach with the Number 1-ranked firm.

The final award is made by the City Council to the vendor that is determined to best meet the overall needs of the City. Prior to final RFP presentations to City Council, the vendor shall provide signed copies the PSA and required documentation of insurance.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing - Capital Improvement and Public Works Projects**

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#### **Summary**

The award of contracts for public works projects of the City shall be governed by the California Public Contract Code (PCC). Capital improvements are generally defined as new construction or fixed assets and improvements to previously constructed fixed assets and shall follow the same guidelines as public works projects. PCC Section 20161 defines a “public project” as: (1) a project for the erection, improvement, painting or repair of public buildings and works; (2) work in or about streams, bays, waterfronts, embankments, or other work for protection against overflow; (3) street or sewer work except maintenance or repair; and (4) furnishing supplies or materials for any such project, including maintenance or repair of streets or sewers.

The Department Director, or his/her designee, shall be responsible for monitoring the project account balance during the course of the project to ensure that overages do not occur. The tracking number or resolution number (if Council approval was required) and contract tracking sheet (see Appendix) shall accompany any and all request for payments to the Finance Department.

#### **Capital Improvement/ Public Works projects of \$5,000 or less**

Public works projects below \$5,000 shall follow the written quotation procedure outlined in the General Purchases Section page 4. Per PCC Section 20163 it shall be unlawful to split or separate into smaller work order or projects any public work project for the purpose of evading the provisions of the PCC requiring public work to be done by contract after competitive bidding.

#### **Capital Improvement/ Public Works projects of more than \$5,000 - formal bidding procedures**

Contracts for public works projects above the minimum formal bid limit as set by the PCC (currently \$5,000), shall be awarded pursuant to formal bidding procedures as set forth herein.

In emergency situations, the necessity for going to bid prior to expenditure may be avoided per PCC section 20168. The Special Provisions – Emergency Purchases section of the “Purchasing Policy” further defines the process for emergency purchases.

City Council approval is required for all plans and specifications for public works and capital projects. Prior to being presented to City Council, plans and specifications shall be reviewed by:

- Director of Public Works
- Building Safety and/or City Engineer
- Affected utilities for conflicts and/or relocations

**City of Manteca**  
**Purchasing Procedures Manual**  
**Purchasing - Capital Improvement and Public Works Projects**  
**(continued)**

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The sealed bids as required by the PCC shall be received by the City Clerk who shall be responsible for publicly opening and reading said bids at the stipulated time and place. Once bids have been opened, the Department Director or his/her designee shall recommend to Council the award of contract to the lowest responsible bidder. The agenda packet should include all required signatures and back up documentation for the contract.

Upon City Council approval, the contract package will be signed by the Mayor. The City Clerk shall prepare a resolution noting the Council’s approval of the contract, the project name and number, project cost(s) and budget account number(s). The City Clerk shall retain the original contract.

**Change Orders**

During the course of capital improvement projects, modifications to the scope of work or additional work may be required that could not have been anticipated in advance. Change Order (CO) approval will be set at the following limits for the City Manager and Department Director:

Contract Amount	Department CO Limit	City Manager CO Limit
< \$75,000	10%	20%
\$75,001 - \$1,000,000	5%	10%
\$1,000,001 - \$5,000,000	3%	7.5%
\$5,000,001+	2%	5%

Prior to approving change orders, the City Manager will confirm with the Finance Department that sufficient funds exist.

Any change orders exceeding the approved budget or contract amount require City Council approval and an appropriation of funds (if necessary).

In the case of an emergency, the City Manager may approve work that exceeds the designated approval level before submitting the change order to the City Council for its formal approval.

An emergency is defined as work, which if not performed, may jeopardize the life, health or convenience of local citizens; may substantially delay the completion of the project; or which may substantially increase the costs of the project as further progress is made.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing – Information Technology and Telecommunications**

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#### **Summary**

The standardization of Information Technology (IT) hardware, software, and the provision of telecommunication services is essential as it allows for the City's IT department to provide a quality of service to all departments. This provision outlines the procedures that must be in place to achieve these benefits and to ensure the purchase, delivery and installation of IT equipment is coordinated successfully.

#### **Software and Hardware Purchasing Guidelines**

All IT related purchases will need approval from an authorized agent in the IT department regardless of funding source. IT approval shall be included in the documentation sent to Finance for purchase order and/or payment requests.

The initial purchase of hardware and software or significant upgrades to the operating system shall follow the guidelines as set for in this policy for General Purchases. The initial procurement of telecommunication services shall follow the guidelines as set forth for General Services Agreements.

#### **Software Maintenance, Support Contracts, and Telecommunication Services**

All costs associated with the renewal of software maintenance and support contracts and the provision of telecommunication services are to be budgeted annually.

Renewals of software maintenance and support contracts, the purchase of software licenses required by such renewals, and the ongoing provision of telecommunication services shall not be required to follow the purchasing guidelines as outlined above as their continuation is deemed necessary for the provision of City services. Prior to processing any renewals, the IT Department shall verify that funds have been appropriated and are available.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Purchasing - Travel**

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#### **Summary**

All travel requests for per diem, lodging, airfare, registration and all other miscellaneous travel expenses shall be requested using a Travel Reimbursement Form (see Appendix). All forms shall have the required approvals before making any travel arrangements or registration enrollments. Any employee traveling to a business function on behalf of the City of Manteca must follow the guidelines included in the Travel Policy (see Appendix).

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Special Provisions - Sole Source Purchases**

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#### **Summary**

A sole source purchase is a purchase made from only one source of supply or a purchase for which no advantage can be gained through competitive bidding. Sole source purchases often arise because specifications and requirements for the purchase are so distinct that only one possible source can provide the purchase or meet established standards. This may be the case with replacement parts for brand name machinery, equipment or vehicles.

To be valid, the sole source must be the only reasonably known source of supply meeting the bona fide specification requirements. A sole source decision is not permitted merely upon the grounds that such approach is the most convenient or that the subject product is preferred by staff.

A sole source purchases will only apply to the purchase of commodities, supplies, materials and equipment as outlined in the General Purchases section beginning on page 4.

#### **Procedure for Initiating the Sole Source Purchase**

The department requesting to procure supplies, equipment, materials, or services from only one available source of supply, shall complete a Request for Sole Source Justification Form (see Appendix) and obtain the signature of Department Director or authorized designee. The completed form shall state the justification for obtaining quotes from only one source. The requesting Department Director or authorized designee may approve the sole source status only after confirming that there is only one vendor or supplier of the needed items or services. The completed Sole Source Purchase Order Quote Form shall accompany the purchase order request.

#### **Verification of Sole Source**

Prior to any action on the purchase by the Finance Department, verification shall be obtained that the procurement meets the sole source definition set forth above, and that the procurement requisition form is complete with the proper approval of the requesting department or authorized designee. For large contracts and/or construction supplies, equipment, materials and services, the City Attorney may be consulted on the applicability of the sole source request. In such cases, the proposed solicitation shall not begin until the City Attorney has confirmed the procurement qualifies as a sole source purchase.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Special Provisions - Sole Source Purchases (continued)**

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#### **Cost Analysis**

The price for the proposed purchase shall be obtained from the sole source vendor. Reasonableness of the price should be established by a verifiable means, which may include catalogs, market price for similar commercial products, or on the basis of prices set by law or regulation. If the price cannot be verified, a cost analysis shall be conducted. A cost analysis is a detailed evaluation of the cost elements comprising the proposed price to determine if appropriate resources were applied to the purchase, and if the costs are proper, reasonable, allowable and allocable.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Special Provisions – Local Vendor Preference**

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#### **Summary**

In April 2009 the City of Manteca adopted a Local Business Enterprise (Local Vendor) Preference Policy (see Appendix). The City found it advantageous to provide a preference of vendors for local businesses.

Those “local business enterprises (LBE)” are given the opportunity (if within 5% of the lowest bid) to be deemed the lowest bidder if they agree in writing to match the lowest bid.

For formal bids, a qualified LBE will be allotted 5 points for local preference in a in the scoring process.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Special Provisions - Emergency Purchase**

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#### **Summary**

An emergency is defined as work, which if not performed, may jeopardize the life, health or convenience of local citizens; may substantially delay the completion of the project; or which may substantially increase the costs of the project as further progress is made. "Emergency Purchases" are those procurements required to prevent the immediate interruption or cessation of necessary City services or to safeguard life, property or the public health and welfare.

For all non-public projects, the City is not required to engage in either informal or formal competitive bidding in an emergency. The City Council delegates to the City Manager the authority to waive any procedures in the Purchasing Policy that are not statutorily mandated when making emergency purchases of supplies, equipment, materials or services.

All emergency purchases related to a "public project" are defined by California Public Contracts Code Section (PCC) 20161 are governed by PCC 22050. Pursuant to PCC 22050(b)(1), the City Council by a four-fifths vote may delegate by resolution the City Manager the authority to enter into emergency contracts for public projects without public bidding. Upon adoption of the resolution, the City may expend any sum required in the emergency without following the formal bid requirements as outlined in Purchasing - Capital Improvement and Public Works Projects beginning on page 15. All actions taken in association with emergency purchases related to a public project must be ratified by Council as established by PCC 22050.

#### **Procedure for Initiating the Emergency Purchase**

Emergency purchases are to be made by staff members with expertise related to the emergency and the need for the purchase. Upon identification of an emergency, the Department Director will immediately seek written approval of the City Manager to make purchases pursuant to this section of the Purchasing Policy. The City Manager is authorized to approve emergency purchases of \$75,000 or less. If the emergency procurement exceeds \$75,000 the procurement must be ratified by a majority vote of the City Council at the next regularly scheduled Council Meeting.

#### **Confirmation of Emergency Purchase – Established Business Hours**

If the emergency occurs during established business hours, staff shall notify the Finance Department prior to placing the order: (1) that an emergency purchase has been requested; (2) the nature of the emergency; (3) that the Department Director of the requesting department or authorized designee has approved the procurement;

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Special Provisions - Emergency Purchase (continued)**

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(4) the name and location of the vendor or supplier; and (5) that the City Manager has authorized the emergency purchase pursuant to the procedures outlined in subparagraph above. All information should be provided on the form Emergency Purchase Documentation. Upon verification of the emergency procurement, the Finance Department will immediately create a purchase order. “Established Business Hours” are defined as the business hours established for City Hall.

#### **Confirmation of Emergency Purchase – Outside of Established Business Hours**

If the emergency occurs outside of established business hours, staff shall notify the Finance Department: (1) that an emergency purchase was placed; (2) the nature of the emergency; (3) that the Department Director of the requesting department or authorized designee has approved the procurement; (4) the name and location of the vendor or supplier; and (5) that the City Manager has authorized the emergency purchase pursuant to the procedures outlined in subparagraph above. All information should be provided on the form Emergency Purchase Documentation. Upon verification of the emergency procurement, the Finance Department will create a confirming order to be issued to such vendor, confirming the procurement and its terms. “Established Business Hours” are defined as the business hours established for City Hall.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Additional Purchasing Options - Cooperative Purchasing Program**

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#### **Summary**

Cooperative purchasing is used by municipalities in the purchase of goods and services. This arrangement offers the participants significant economies of scale. Although one municipality may issue specifications and receive bids, each entity independently executes its own contract, administers the procurement function, and finances the purchase.

This is an acceptable practice that allows municipal agencies to “piggy-back” on contracts for services and supplies, issued by a wide range of other governmental agencies. Cooperative purchasing agreements may be entered into with state, city governments, public or quasi-public entities, and non-profit entities.

The City adopted an ordinance to formally authorize the cooperative purchasing procedure. Ord. 904 § 1, 1991 states that “By contract approved by the city council, any act authorized or required by this chapter may be performed by another public entity required by law to purchase supplies and equipment through a public bidding process”.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Additional Purchasing Options – P-Card Purchases**

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#### **Summary**

Purchase card (P-Card) purchases are authorized for small dollar items that can be obtained directly from the vendor either in person or via telephone, fax, or Internet. Individual credit limits will vary based on the needs of the department. A copy of the complete P-Card Guidelines can be found in the Appendix Section of the Purchasing Policy. This section of the Purchasing Policy does not repeat the Policy, but rather summarizes the provisions. The use of a P-Card does not circumvent the Purchasing Policy. Any monetary limits and required approvals still apply regardless of payment method.

#### **Procedure for Purchases with P-Cards (Cal-Card)**

The Finance Department issues purchasing cards, in the form of Cal-Cards, to designated employees. Employees that are issued a Cal-Card are provided with spending and monthly credit limits depending on departmental need and authority. The P-Card is issued jointly in the City's and employee's name; is to be used by only the employee whose name appears on the card and the delegation of authority is not permissible in making purchases. The Cal-Card holder is responsible for the preparation of a monthly reconciliation of the Cal-Card statement, preparation of a transaction log, and submittal of all documents to Accounts Payable for payment.

#### **Benefits of Purchasing Cards**

The use of a P-Card provides an efficient cost-effective alternative for the purchase and payment of small dollar expense items. The P-Card streamlines the traditional procurement process by reducing the number of requests for payments needed for handling miscellaneous low dollar transactions.

#### **Transactions in excess of \$1,000**

Transactions in excess of \$1,000 still require a purchase order following the Purchasing Policy. The purchase order will be made out to the vendor rather than the Purchasing Card issuer. The purchase order must be referenced when completing the necessary P-Card transaction log. This ensures that the Finance Department can close out the Purchase Order used for the transaction.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Additional Purchasing Options – Other**

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#### **Letters of Credit**

Letters of Credit have been established in lieu of Open Purchase Orders (MMC 3.24.090) and will be allowed on a very limited basis. They are designed to procure repetitive, high volume, low dollar value items on a continuing basis from local suppliers without specific approval.

Departments requesting that a letter of credit be placed with a particular vendor will submit a Letter of Credit form (see Appendix) to the Finance Department with a justification which will include the following:

- Type of items that will be purchased on the blanket order
- Frequency of need
- A list of department personnel who will be authorized to charge against the Letter of Credit
- A maximum per purchase dollar amount not to exceed \$150 per day

#### **Petty Cash**

The Petty Cash fund shall be made accessible for the purchase of supplies and materials seventy-five dollars (\$75.00) or less. At the request of a Department Director and with the approval of the Director of Finance, departments may establish a petty cash fund. Cash on hand for individual departments may be limited to \$200.00. Approved purchases must be properly documented and approved on the Petty Cash Expense Form. Individual Petty Cash funds are subject to random audit by the Finance Department. The Petty Cash Policy is attached for reference (see Appendix).

#### **Use of Personal Credit Cards**

Employees are to refrain from using personal credit cards or other forms of personal payment for City business. If under special circumstance an employee uses his/her own funds for a City of Manteca purchase, then the Employee Reimbursement Form (see Appendix) must be completed and approved by the Department Director and the employee must follow the guidelines outlined in the Employee Reimbursement Policy.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Vendor Requirements - W-9**

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#### **Summary**

The Internal Revenues Service (IRS) and the California Employment Development Department (EDD) requires all non-employee vendors to provide a W-9 form prior to issuing payment. The W-9 form requires the business or individual to certify the business type (sole proprietor, corporation, or partnership) and provide a taxpayer identification number (social security or federal identification number) to governments and businesses paying for services.

Due to these requirements, the Finance Department must receive the W-9 concurrently with a new vendor request. Failure to provide this form will result in delay of payment processing for that specific vendor. Payment will not be processed until all paperwork is provided.

The W-9 reports the following information:

- Business Name
- Owner's Full Name(or responsible party)
- Social security number or federal employer identification number
- Address
- Phone Number
- Business Classification (Sole Proprietor, Corporation or Partnership)

See the Appendix for a copy of the W-9 reporting form.

# ***City of Manteca***

## **Purchasing Procedures Manual**

### **Vendor Requirements – Business License**

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#### **Summary**

The Manteca Municipal Code (MMC) outlines the requirements for conducting business within the City of Manteca. Per MMC 5.040.020 a business license is required for all persons and businesses commencing, transacting, or carrying on in the city and business, trade, profession, calling, or occupation specified in the MMC.

Due to these requirements, departments should verify that vendors have an active business license, if applicable, prior to conducting business with the entity. Payment will not be processed until compliance with MMC Title 5 can be verified. Failure to do so will result in delay of payment processing for that specific vendor.

If departments are uncertain if a vendor is required to have a business license, they can contact the Finance Department for additional assistance.



CONTRACT INFORMATION	
Vendor:	Vendor #:
G/L Account #:	Project #:
Resolution #:	Resolution Date:
City Manager #:	Total Contract Amount:

Original Amount:	\$0.00
Amendment #1:	
Amendment #2:	_____
Total Contract:	\$0.00

Invoice Date	Invoice #	Description	Amount	Remaining Contract
			\$ -	\$0.00



**TRAVEL REQUEST AND EXPENSE REPORT**  
**INSTRUCTIONS - COMPLETE SECTIONS 1 & 2**  
**AND RETURN TO FINANCE DEPARTMENT**

**1. AUTHORIZATION**

Name: \_\_\_\_\_ Dept: \_\_\_\_\_  
 Conf./Event: \_\_\_\_\_ City & State: \_\_\_\_\_  
 Date: \_\_\_\_\_ through \_\_\_\_\_ Date: \_\_\_\_\_  
 Total days (include travel time): \_\_\_\_\_  
 Brief statement of benefit to the City: \_\_\_\_\_  
 \_\_\_\_\_

(MUST ATTACH ANY LITERATURE DESCRIBING THE EVENT)

I CERTIFY THAT THE TRAVEL AND EXPENSES WILL  
 BE IN THE CONDUCT OF THE CITY'S BUSINESS.

\_\_\_\_\_  
 EMPLOYEE

**2. EXPENSE ADVANCE - ATTACH REQUEST FOR WARRANTS**

Registration: \_\_\_\_\_ Lodging: \_\_\_\_\_ Travel: \_\_\_\_\_ Per Diem: \_\_\_\_\_  
 Date: \_\_\_\_\_ Acct. Bal.: \_\_\_\_\_ Amt. Req: \_\_\_\_\_  
 Account #: \_\_\_\_\_ Dept: \_\_\_\_\_

**Approvals:**

\_\_\_\_\_  
 DEPARTMENT HEAD FINANCE ADMIN. SERVICES

**3. ACTUAL EXPENSE REPORT**

Note: Actual expense reports are due within TEN working days after return.

Date/Time Departed: \_\_\_\_\_ Date/Time Returned: \_\_\_\_\_

Dates:						Total Actual Expense	Total Cash Advance	Balance (+ / -)
Registration								
Lodging (max. \$250/night)								
Per Diem (Meals)								
<b>TRANSPORTATION (MAX. \$400.00)</b>								
City Vehicle No.								
Air Travel								
Mileage (POV) Rate/Mile:								
Miscellaneous Parking, Tolls, etc.								
Car Rental								
<b>TOTAL</b>						<b>\$0.00</b>	<b>\$0.00</b>	

NET BALANCE DUE (CITY): \_\_\_\_\_  
 NET BALANCE DUE (EMPLOYEE): \_\_\_\_\_

EMPLOYEE SIGNATURE APPROVED DEPT. HEAD VERIFIED FINANCE DEPT.

# CITY OF MANTECA

## EMPLOYEE TRAVEL / EXPENSE REIMBURSEMENT POLICY & PROCEDURE

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### 1. PURPOSE

The purpose of this policy is to establish guidelines for the expenditure of public funds for authorizing attendance, travel, and reimbursement of expenses for City employees attending conferences, training, meetings and other City related business. Contract employees and consultants are not covered under this policy. It is the intent of the City of Manteca to assure compliance with IRS regulations. Reimbursement of business-related expenses paid to employees is generally tax-free; however, employees must substantiate the expenses with original receipts. This policy supersedes all previous policies.

### 2. POLICY

**2.1 Pre-Travel Authorization:** City employees must complete the **Travel Request Form** and secure approval from their department manager and/or City Manager **prior** to attendance of any non-local conference, seminar or meeting. Travel arrangements should not be made until department manager approval has been attained. "Non-Local" shall be defined as travel requiring an overnight stay.

**2.2 Post Travel Expense Reconciliation:** Within 10 business days of return to the work place, the **Post Travel Expense Reconciliation Report** must be completed for non-local travel, approved by the Department Manager and/or City Manager and submitted to the Finance Department wherein actual travel expenses, including amounts advanced, must be reconciled. If actual costs, within the limits prescribed below are greater than the amount advanced, the difference when authorized by the employee's Department Manager and/or City Manager will be refunded to the traveler. If the amounts advanced are greater than the actual expenses, the employee must return the funds to the City with **Travel Request/Post Travel Expense Reconciliation Report**.

**2.3 Local Travel Reimbursement:** City employees must complete the **Travel Request/Post Travel Expense Reconciliation Report** within 10 business days of event or date of purchase requiring reimbursement. "Local" shall be defined as travel not requiring an overnight stay.

**2.4 Employee Responsibility:** City employees are required to have proper regard for economy in the conduct of City business.

**2.5 Registration:** All registration fees for approved conferences, seminars, training or meetings shall be paid directly by the City whenever possible. If registration is paid directly by the employee, reimbursement will be made with proper documentation **after** attendance at the conference, seminar, training, or meeting. Exceptions may be allowed upon recommendation of the Department Manager and with administrative approval of the City Manager or his designee. Employees should register at the earliest time possible to avoid late registration charges. If an event needs to be cancelled, cancellation should be before the deadline to avoid a penalty when possible.

**2.6 Lodging:** The cost of lodging accommodations for approved conferences, seminars, training or meetings shall be paid directly by the City when possible. If paid by the employee reimbursement will be made with proper documentation **after** return from travel.

# CITY OF MANTECA

## EMPLOYEE TRAVEL / EXPENSE REIMBURSEMENT POLICY & PROCEDURE

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Hotel and motel charges shall be based on single occupancy rates. The City will not reimburse employees for lodging expenses incurred for additional guests. In instances where destination hotels are filled, the employee should attempt to secure comparable rates at the nearest hotel.

Pre-destination lodging will be allowed for travel requiring extensive travel time and must be identified in the travel request, supported by a copy of the event schedule and approved by the Department Manager and/or City Manager. Note: Starting time is for actual event, not registration or optional tours or sponsored events unless related to professional development as approved by Department Manager and/or City Manager.

Lodging will be allowed for travel if the following conditions are met:

- The length of the event is more than one day, extensive travel time is required or the distance is more than 75 miles from City Hall or the employee's residence, whichever is greater or,
- If the employee's presence is required for activities before or after the regular event hours.

**2.7 Transportation:** Use of air, train, private car or bus shall be selected on the basis of the most reasonable and appropriate method, taking into consideration distance, time and total costs to the City.

If an employee elects to use a mode of transportation other than stated above, the City will pay only the cost of the most logical and least expensive mode. The difference between the selected mode and most logical and the least expensive mode shall be considered the employee's personal expense. In addition, the employee shall charge any additional time spent en route during normal work hours to vacation or similar leave.

**2.8 Air Travel:** Employees shall endeavor to book air travel to take advantage of discounts and non-refundable ticket fares where practical. All flights shall be booked at coach class or equivalent level.

**2.8(a)** Mileage reimbursements shall be limited to the equivalent of the most economical fare. When approved, mileage will be reimbursed at the current rate set by the Internal Revenue Service.

**2.8(b)** Airline tickets shall be paid directly by the City whenever possible. If an employee purchases tickets they will receive reimbursement with proper documentation **after** attendance of the event. Exceptions may be allowed upon recommendation of the Department Manager and with administrative approval of the City Manager or his designee.

**2.8(c)** Mileage shall be reimbursed when traveling to and from the airport, at the current mileage rate set by the Internal Revenue Service. When available, courtesy shuttle services should be utilized between airports and meeting locations. Airport parking at the economy parking rate is reimbursable with the original receipt.

# CITY OF MANTECA

## EMPLOYEE TRAVEL / EXPENSE REIMBURSEMENT POLICY & PROCEDURE

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**2.9 Rental Vehicles:** When rental vehicles are used, the least expensive vehicle practical will be used.

**2.10 Mileage Reimbursement:** No City employee shall be authorized mileage reimbursement for the use of his or her privately owned vehicle in the performance of City business if a City-owned vehicle is available and suitable for such use. Mileage is to be calculated based on information attained at *mapquest.com* or other equivalent Internet resource.

**2.10(a)** If the distance from the employee's home to the event site is less than the distance from the work site, use of personal vehicle may be used and the employee will be reimbursed as set forth in this policy.

**2.10(b)** When authorized, private vehicle usage will be reimbursed at the current rate set by the Internal Revenue Service. Mileage reimbursement will be based on actual miles traveled for City business, via the most direct route.

**2.10(c)** In cases where more than one employee is attending the same event, employees will normally be expected to travel together when feasible and mileage reimbursement will be for one vehicle only.

**2.10(d)** Employees receiving monthly auto allowances may not receive mileage reimbursement for local travel in addition to the monthly allowance.

**2.11 Compensation for Travel:** When travel time exceeds the employee's normal workweek, the City's rules for overtime apply if the employee is eligible for overtime. In determining overtime compensation, normal commute time should be deducted from the total travel time. Additionally, normal unpaid meal periods are not considered work time when traveling. Overtime eligibility will be determined according to FLSA guidelines for travel.

When combining business and personal travel time, department head approval is required. If this extended period occurs during regular scheduled work hours, the time will be counted as vacation or other similar leave, comp time (if available) or leave without pay.

**2.12 Unauthorized expenses:** Items of a personal nature are not reimbursable including: movies, entertainment, premium television services, alcoholic beverages, dry-cleaning, spas, gyms, barber, magazines, shoe shines, travel insurance, purchase of clothing or toiletries, loss of tickets, fines or traffic violations, excess baggage costs, spouse and/or guest expenses, repairs to personal vehicles, and other items of a personal nature. Optional tours, banquets or other activities not related towards professional development offered through the event, but as an additional cost to registration, are solely at the discretion of the employee and will be considered as a personal expense. The Department Manager and/or City Manager shall determine what constitutes professional development.

If unauthorized expenses have been paid by the City, the employee will be responsible for reimbursement to the City within five business days.

# CITY OF MANTECA

## EMPLOYEE TRAVEL / EXPENSE REIMBURSEMENT POLICY & PROCEDURE

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**2.13 Family Members or Guests:** Travel arrangements and payment of costs for family members or guests are not eligible for payment by the City. Travel arrangements and payment of costs for family members or guests are to be handled directly by the employee.

**2.14 Phone Calls:** City business related calls made by the employee will be reimbursed. Employees should use the most economical method available.

**2.15 Internet Usage:** When traveling on City business, employees must use the most economical method possible when accessing the Internet, such as a local Internet provider. Internet use will only be reimbursed if deemed necessary for City business.

**2.16 Meal Allowance Standard:** Receipts are not required if you stay within current IRS per diem regulations. Receipts are required to substantiate expenses over the current IRS per diem regulation. The following amounts represent the per meal breakdown of the IRS per diem rates in effect at the time of adoption of this policy. Per diem rates will be adjusted as necessary to equal current IRS regulations.

Breakfast - \$8                  Lunch - \$11                  Dinner - \$20

Meals provided by the event or included in the registration fee will not be eligible for per diem and will only be eligible for reimbursement with a receipt. Appropriate deductions must be made from the per diem allowance. A continental breakfast is not considered a meal for purposes of calculating meal allowance.

In calculating the meal allowance for partial days, the following guidelines should be used:

### **2.16 (a) Departure**

**2.16 (a)(1)** If you depart after 7:00 a.m., you may not claim meal expenses for breakfast for that day.

**2.16 (a)(2)** If you depart after 1:00 p.m., you may not claim meal expenses for breakfast and lunch for that day.

**2.16 (a)(3)** If you depart after 7:00 p.m., you may not claim meal expenses for that day.

### **2.16 (b) Return**

**2.16 (b)(1)** If you return between 8:00 a.m. and 1:00 p.m., you may claim the breakfast allowance.

**2.16 (b)(2)** If you return between 1:00 p.m. and 7:00 p.m., you may claim the breakfast and lunch allowances.

**2.16 (b)(3)** If you return after 7:00 p.m., you may claim expenses for the full day.

**2.16 (b)(4)** Meals and food charged to a motel/hotel room via room service shall be counted on the final reconciliation of the **Post Travel Expense Report** as part of the daily meal allowance.

# CITY OF MANTECA

## EMPLOYEE TRAVEL / EXPENSE REIMBURSEMENT POLICY & PROCEDURE

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**2.17 Travel Advance:** The only payment that will be made to employees in “advance” will be for the IRS per diem, bridge toll, mileage, and registration when documentation in writing is attached to the form. Payments in advance must be submitted to Finance no sooner than one month prior to departure.

**2.18 Discretion:** This policy does not claim to have addressed all contingencies and conditions. Any necessary and reasonable expense that may from time-to-time be justified due to circumstances or opportunities for the City will be honored upon authorization by the Department Manager and approval of the City Manager or Finance Director. Those expenses will be reimbursed to the traveler with adequate documentation and justification.

### **3. PROCEDURE**

#### **3.1 Non-Local Travel/Expense Reimbursement (requiring an overnight stay)**

3.1(a) Complete the **Travel Request Form**. Backup must be attached to the form including flight itinerary, car rental and hotel information. A complete schedule of the event must also be attached to the form. Department Director and/or City Manager approval is required. Submit the form to the Finance Department for the processing of checks for travel advance payments. It shall be customary that registration, lodging and travel shall be paid by a City check or credit card for reimbursement.

3.1(b) Upon return to work, within 10 business days, complete the **Post Travel Expense Reconciliation Report**. Submit to the Department Manager and/or City Manager for approval and then submit to Accounts Payable, whether or not any reimbursement is due.

**3.2 Local Travel Advance/Reimbursement (not requiring an overnight stay):** Upon return to work, within 10 business days, complete the **Local Travel Advance/Reimbursement Form**. All receipts including a complete schedule of the event must also be attached to the form. Department Director and/or City Manager approval is required. Submit the form to Accounts Payable for the processing of checks. It shall be customary that registration shall be paid by a City check or credit card for reimbursement.

**3.3 Records:** Employees must maintain a detailed record of all expenses incurred during travel including meals, lodging, transportation, parking fees, registration fees, telephone and any other reasonable and necessary expenses. Credit card summary receipts are not considered to be a detailed record.

**3.4 Certification of Expenses:** All City employees shall certify on a form provided by the Finance Department, and reviewed by external auditors, that travel and related expenses were conducted in the course of City of Manteca business. All funds shall be requested on an individual basis.



### SOLE SOURCE JUSTIFICATION

VENDOR INFORMATION	
Vendor Name:	Vendor #:
Department:	
Requested by:	Date:

A sole source purchase is a purchase made from only one source of supply or a purchase for which no advantage can be gained through competitive bidding. Sole source purchases often arise because specifications and requirements for the purchase are so distinct that only one possible source can provide the purchase or meet established standards. This may be the case with replacement parts for brand name machinery, equipment or vehicles.

JUSTIFICATION FOR SOLE SOURCE REQUEST

PLEASE CHECK THE CATEGORY APPROPRIATE TO THIS PURCHASE
--

<input type="checkbox"/>	<b>One of a Kind:</b> The commodity or service has no competitive product or component or replacement part has no substitute AND is only available from one vendor.
<input type="checkbox"/>	<b>Compatibility:</b> Compatibility is the overriding consideration AND the item or service can only be obtained from one vendor
<input type="checkbox"/>	<b>Delivery Date:</b> The ability of only ONE vendor to meet a necessary delivery date.
<input type="checkbox"/>	<b>Follow Up Service:</b> Only ONE vendor is able to make on-call repairs at a particular location.

To be valid, the sole source must be the only reasonably known source of supply meeting the bona fide specification requirements. A sole source decision is not permitted merely upon the grounds that such approach is the most convenient or that the subject product is preferred by staff.

Department Director Approval \_\_\_\_\_

Date \_\_\_\_\_

**RESOLUTION NO. R2009-98**

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF MANTECA APPROVING THE  
LOCAL BUSINESS ENTERPRISE  
(LOCAL VENDOR) PREFERENCE POLICY**

**Whereas** it is the responsibility of the City to assure that all competitive bids for services, supplies and projects, as well as all professional services, are comprehensively reviewed and evaluated by City staff to ensure the best quality of work is received for the least amount of taxpayer money; and

**Whereas** the City is desirous of providing a preference for local business enterprises (vendors), in an attempt to keep as many local jobs as local as possible, and

**Whereas** the City hopes to balance this preference with assuring the public that the best enterprise/vendor is selected for each and every City contract.

**NOW THEREFORE BE IT RESOLVED**, the City Council of the City of Manteca does hereby adopt the Local Business Enterprise (Local Vendor) Preference Policy herein attached as Exhibit A.

**DATED:** April 7, 2009

**ROLL CALL:**

**AYES:** Councilmembers DeBrum, Harris, Moorhead and Weatherford

**NOES:** None

**ABSENT:** Councilmember Hernandez

**ABSTAIN:** None



**WILLIE W. WEATHERFORD  
MAYOR**

**ATTEST:**



**JOANN TILTON, MMC  
CITY CLERK**

## **EXHIBIT 'A'**

### **CITY OF MANTECA LOCAL BUSINESS ENTERPRISE (LOCAL VENDOR) PREFERENCE**

#### **RECITALS**

1. Whereas it is the responsibility of the City to assure that all competitive bids for services, supplies and projects, as well as all professional services, are comprehensively reviewed and evaluated by City staff to ensure the best quality of work is received for the least amount of taxpayer money; and
2. Whereas the City is desirous of providing a preference for local business enterprises (vendors), in an attempt to keep as many local jobs as local as possible, and
3. Whereas the City hopes to balance this preference with assuring the public that the best enterprise/vendor is selected for each and every City contract.

#### **POLICY**

Definition of "Local Business Enterprise (LBE):" A business enterprise, including but not limited to a sole proprietorship, partnership or corporation, which has a legitimate business presence in the incorporated City limits of the City of Manteca. Evidence of legitimate presence in Manteca shall include:

- A. Having a current Manteca business license; and
- B. Having either of the following types of offices operating legally within the City of Manteca:
  1. The contractor's principal office; or
  2. The contractor's regional, branch or satellite office with at least one full-time employee located in the corporate boundaries of the City of Manteca. A post office box address alone does not constitute a "Local Business Enterprise."

**Public, Competitive Bids:**

If two or more bids received from responsible bidders are for the same total amount or unit price – quality and service being equal – preference shall be given to the LBE.

In the event two or more bids are received and they are not for the same total amount or unit price, and a bid submitted by a qualified LBE is within 5% (total net cost) of the lowest bid or quote, the LBE may be deemed to be the lowest bidder if the LBE agrees, in writing within one business day, to reduce its bid to match the bid or quote of the lowest bidder, providing that the City determines the LBE to be a responsible bidder.

**Professional Services:**

For professional services not requiring formal bids or quotations, vendor selection is based primarily on qualifications, project understanding and schedule, with cost a secondary concern. Nonetheless, a proposal submitted by a qualified LBE will be taken into account in reaching a final consultant selection decision. A qualified LBE will be provided 5 points out of 100 in scoring the proposals.



# **CITY OF MANTECA PURCHASING CAL-CARD (VISA)**

## **PROGRAM GUIDELINES/HANDBOOK**

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## **INTRODUCTION**

The City of Manteca has an agreement through the State of California's Master Service Agreement, with U.S. Bank I.M.P.A.C. (International Merchant Purchase Authorization Card) to provide bankcard services.

The Cal-Card, also known as a purchasing card, is an internationally accepted VISA card that enables designated government employees to make small purchases within specified limits. A Cal-Card is also intended to simplify the purchasing and payment process and to reduce the total acquisition cost for small dollar items.

This Cal-Card Program Handbook provides the guidelines for using the Cal-Card. The Handbook includes detailed information about the Cal-Card's uses, procedures, rules and forms, which will aid in the success of the Cal-Card Program. Please read it carefully and thoroughly. Your signature on the Cardholder Agreement Form indicates that you understand the intent of the program and to follow the established guidelines.

## OVERVIEW

The following important points should be reviewed before using the Cal-Card:

- The Purchasing Card is issued in ***your*** name. All purchases made on the Cal-Card must be yours only. No member of your staff, your family, your supervisor, or anyone else may use your Cal-Card. You are responsible for the security of your card and all transactions made with it.
- ***The Cal-Card must not be used for personal purchases. If personal purchases are made, the situation will be handled as a misuse of government funds in accordance with the City of Manteca's Policies and Procedures and will lead to disciplinary action up to termination of employment.***
- The Cal-Card can be used almost anywhere VISA is accepted.
- You cannot spend more than your approved single and monthly transaction limits (see your Cal-Card Receipt Acknowledgement Form or your most recent statement for these limits).
- You are not allowed to buy items under the section titled "Prohibited Purchases," found on Pages 14 and 15 of this Handbook.
- The Cal-Card is not intended to avoid or bypass the Purchasing Policies and Procedures. The intent of the Cal-Card Program is to complement the existing processes available.
- Your Cal-Card must be returned to the Program Coordinator immediately upon your separation of employment from the City of Manteca, or upon request of the Program Coordinator. Transferring between sites typically does not require cancellation of your card; please refer to Transfer or Termination on Pages 13 and 14 of this Handbook.
- You will be required to sign a "Receipt Acknowledgement Form" and the "Cardholder Agreement Form," so it is very important that you understand this Handbook.
- Always remember, you are committing City of Manteca funds each time you use the Cal-Card. Use of the Purchasing Card is not intended to replace effective procurement planning that enables volume discounts.

- The issuance of a Purchasing Card in your name does not allow the credit card company to do any credit check on your personal credit. They will not request any personal information from you, nor should any personal information be furnished.

The Purchasing Card is a supplement to the procurement process. As with other procurement methods, the following conditions must be met when using the Purchasing Card:

- a. To the maximum extent possible, the Purchasing Card should be used in lieu of emergency purchase orders, limited purchase orders, employee reimbursements, or check requests.
- b. Each single purchase transaction may contain multiple items, but the total cannot exceed the single purchase dollar limit on your Purchasing Card.
- c. When purchases exceed the limit established by the Finance Director, normal purchasing procedures must be followed.
- d. The least expensive item that meets your basic needs should be sought.
- e. Cardholder must verify that budgeted funds are available **prior** to making any purchase.
- f. **Splitting orders (multiple orders of the same items/s) to avoid purchase transaction limits are not allowed.** If the purchase you need to make exceeds your limits, a requisition, purchase order, or blanket order (open) must be used.
- g. **Failure to follow proper procedures, particularly when you have been notified of an improper usage at least once before, CAN result in cancellation of your card and possible other sanctions.** This is needed to ensure the auditable and business transaction integrity of card usage to comply with legal, business, supplier, audit, policy, and procedural guidelines.

## GENERAL

There are various people involved in the Cal-Card Program to ensure its success and incorporate proper checks and balances. The following are those involved with a description of their functions:

### **Program Coordinator:**

The Program Coordinator is the person responsible for the implementation and continued monitoring of the Cal-Card program. The Program Coordinator is the key point of contact for Cardholders, Approving Officials, and Billing Official. If anyone has any questions or problems, the Program Coordinator should be their first point of contact.

### **Approving Official:**

The Approving Official (a typical example of an Approving Official is a Division Superintendent) is the person who approves Cardholder's purchases, verifies that purchases are made for official government use, and performs the following functions:

- Ensures that the Cal-Cards issued under their authority are properly utilized.
- Reviews and certifies Cardholder's Statement of Account in accordance with the City's policies and procedures and budget appropriateness and availability.
- Ensures each Cardholder's reconciled Statement of Account, slips/receipts, and all appropriate documentation is received.
- Ensures each Cardholder's Statement of Account is forwarded to the designated Program Coordinator by the 5<sup>th</sup> of the month.
- Reviews monthly Detail Invoice and Approving Official Summary reports on cardholders submitted by U.S. Bank for accuracy and historical usage.
- Submits Request to Amend or Cancel Cal-Card or other program-related forms to the Program Coordinator as necessary and in a timely manner.

- The Approving Official is responsible for forwarding the warrants for their division's monthly activity with each cardholder's Statement of Account as backup to be reviewed by the Department Head or designated employee as approved by the Finance Director. The Department Head's approving signature, or designated employee, must be obtained prior to sending the warrants to the Program Coordinator for payment.

### **Cardholder:**

The cardholder is the user of the Cal-Card who is responsible for committing small dollar purchases for the City in accordance with the program and City policies and procedures. The Cardholder ensures that he/she submits a reconciled Statement of Account and forwards all slips/receipts, within two (2) business days after receipt, to the Approving Official. Note: The Cardholder's warrant and statement is due to the Program Coordinator no later than the 5<sup>th</sup> of the month following the statement date. If you are unable to do so, you MUST notify the Approving Official immediately as to the nature of the problem. If you do not receive your statement by (approximately) the 23<sup>rd</sup> of each month, you may do the following:

- Call US Bank at 800-344-5696 and request a fax copy to be sent to you immediately.
- Access your account via internet @ <https://access.usbank.com>.
- Make a copy of your Approving Official's Monthly Cardholder Account Summary statement and submit it in lieu of your normal statement (your Approving Official receives this summary monthly).

### **Transaction Limits:**

There are three different transactional limits that the Cal-Card has which include the following:

- Single purchase limit – a maximum dollar limit per each transaction.
- Thirty (30) Day purchase limit – a maximum dollar limit for 30 days.
- MAT Codes – Merchant Activity Type codes, where the card will be denied if used for certain commodities not approved by the City for purchase.

### Use of the Card:

The use of the card must meet the following conditions:

- The total of a single purchase to be paid for using the card may be comprised of multiple items but may not exceed the authorized Single Purchase Transaction Limit. Remember, total purchase amount includes applicable tax and freight. Payments for purchases may not be split in order to avoid exceeding the Single Purchase Transaction Limit.
- Any item ordered over the phone or internet, which will not be confirmed with a written order, but will be paid for by the card and charged immediately, must be delivered within thirty (30) days. If the vendor cannot guarantee delivery within thirty (30) days, then the order shall not be placed unless the vendor agrees to not charge the user's card until the item is ready for shipment.
- All items ordered over the phone or internet, which will not be confirmed with a written order, must be delivered in a single delivery. No backordering or special ordering will be allowed, unless it can be verified prior to the transaction taking place that the supplier will only charge for the amount being shipped.
- All items ordered over the phone or internet must have a packing list attached to confirm receipt of products. The required receipt of products ordered, must be submitted to Finance and should be attached to warrant when processing the Cal-Card invoice.

### Restricted Uses:

***Several items are restricted from purchase by the City, which can be found under the section titled "Prohibited Purchases," found on Pages 14 and 15 of these guidelines. Misuse of the card will be handled as a misuse of government funds in accordance with the City of Manteca's Policies and Procedures and will lead to disciplinary action up to termination of employment. The lending of your card or giving the number to other employees is considered misuse.***

## PROCEDURES FOR PURCHASES

These procedures are designed to help the Cardholder understand how to utilize the Cal-Card successfully.

1. After the training session with the Program Coordinator, you will be required to sign the Cal-Card Receipt Acknowledgement Form and the Cardholder Agreement Form, prior to the issuance of the Cal-Card to you.
2. Call U.S. Bank at 1-800-344-5696 to activate your card (a set of detailed instructions is enclosed with your Cal-Card). You will need to know your card number, billing zip code, when prompted for the last four digits of your social security number, you will enter 4 zeros, and the City's business phone number (209-239-8400).
3. You may use the Cal-Card at any non-restricted merchant that accepts a VISA card for payment of purchases. It is important to verify that there is money available in the account you will be using for the purchase.
4. The City of Manteca is NOT exempt from paying California Sales Tax; therefore, as you place an order with the merchant, you should emphasize that the purchase MUST include sales tax (see USE TAX section under Procedures After Purchase, on Page 12). If the merchant does not collect State tax, remember that the City is still required to pay the appropriate tax directly to the State (this should be noted on the warrant); the same account number you show on your statement will have the tax charged against it.
5. A Cal-Card Transaction Log needs to be maintained by the Cardholder. Record a sufficiently detailed description in the log each time you make a purchase. A copy of the City's Cal-Card Transaction Log is attached herein. Keep the log in your files; it is not necessary to turn the log in monthly with each billing statement, but recommended. It is also strongly recommended that all paperwork be kept in the transaction/receipt envelope and in a secure location.
6. Upon selection of a purchase, present the card to the merchant. The vendor will validate the transaction, which will be approved or denied, verify with the merchant that they have obtained and entered correctly your card information. If it is still denied, please call the 800 number on the back of the card to determine the reason for the denial. If you still need assistance, please contact the Program Coordinator.

7. A slip/receipt should be given to you after the transaction is completed. The following information must be included on the receipt:

- Vendor name and address
- Date of purchase
- Cardholder name
- Card Number
- Description of items purchased
- Quantity purchased
- Itemization of purchase (receipt/packing slip showing unit cost, description, tax, shipping, etc.), and the total amount of the transaction.

NOTE: Be sure to ask the merchant's representative for a printed copy of the receipt. **DO NOT THROW AWAY THE SLIPS/RECEIPTS BECAUSE YOU WILL NEED TO TURN THESE IN WITH THE MONTHLY BILLING STATEMENT.** If it is an internet transaction, print a copy of the screen order or e-mail confirmation for your statement. If you are ordering by phone or fax, ask the merchant to mail (or fax) you the transaction slip. Many times the transaction slips are not included with the product at the time of delivery, so be sure you receive the documentation. If you are unable to "find" your transaction slips, you can refer to your log and contact the supplier to resend it to you by the most expeditious means possible; merchants keep sales transactions for at least a year in their system.

8. If a signature is required, please review slip/receipt prior to signing to ensure that the amount is correct. You will receive one copy of this slip/receipt. **RETAIN THIS COPY FOR SUBMISSION WITH YOUR MONTHLY STATEMENT OF ACCOUNTS TO THE APPROVING OFFICIAL.**

## PROCEDURES AFTER PURCHASES

After approximately five (5) business days after the close of each billing cycle (the billing cycle falls on the 23rd day of each month), you will receive a monthly Statement of Account, which itemizes each transaction that was charged to your Cal-Card. If you do not receive your statement by around the 26th of each month, you may do the following:

- **Call US Bank at 800-344-5696 and request a fax copy to be sent to you immediately.**
- **Access your account via internet @ <https://access.usbank.com>.**
- **Make a copy of your Approving Officials Monthly Cardholder Account Summary statement and submit it in lieu of your normal statement (your Approving Official receives this summary monthly).**

Upon receipt of the statement, the following steps must be followed:

1. Review the statement for accuracy.
2. Summarize each transaction by account code and description. Under description on warrant, be concise, yet meaningful, i.e., NOT "Incentives," but "Recycling School Education Items."

If the Cardholder has kept their Transaction Log up-to-date, they simply need to verify the statement for accuracy, attach Transaction Log with receipts, and sign the Monthly Statement. This packet can then be turned in to their Approving Authority for review and a warrant can be prepared.

3. If you have returned an item purchased, attach and/or verify any credit vouchers received to the statement on which the credit appears, and indicate the appropriate account number for credit.
4. Attach all slips/receipts to the statement. Slips/receipts must have billing detail, such as quantity purchased, individual purchase price, shipping and handling charges, and applicable taxes. Shipping documents that contain none of this detailed information, or a simple receipt showing only the total charge are insufficient for Finance to process the charges. It is the responsibility of the cardholder to contact the vendor and obtain a more detailed invoice/receipt to attach to the statement.

5. Sign statement and forward to your Approving Official within five (5) working days of receipt. The Approving Official shall verify each transaction on the statement for appropriateness and adherence to City policies, procedures, and these guidelines, sign the statement, and forward warrant to the Department Head, or designated official, as approved by the Finance Director.

**Cardholder statements must be reviewed and signed by the Approval Official within five days of receipt. Approved warrants are to be received by the Program Coordinator no later than the 5<sup>th</sup> of the month.**

6. Suggestion: A recurring reminder on your City Outlook calendar for VISA statement processing can greatly assist in reminding you of your obligation, and reduce the possibility of statements “waiting” for processing beyond required timelines.

It is the Cardholder’s responsibility to retain copies of all monthly statements and receipts for a minimum of one (1) year from the date of transaction. After that time, copies must be destroyed (shredded) to protect confidential data.

#### Use Tax:

Some out-of-state suppliers do not charge California State Sales Tax. It is the City of Manteca’s legal responsibility to remit directly to the State Board of Equalization the tax on these purchases; the Billing Official in Finance will handle this. Please try to make a notation on warrant if an item charged on your account was missing Sales Tax. Appropriate tax will be paid from the same account(s) shown on your statement.

#### Vacation or Out of Office:

If the cardholder will be out of the office during the time the statement is due, it is the cardholder’s responsibility to forward all of their receipts to the Approving Official so that the Approving Official can forward the warrant to the Program Coordinator in a timely manner. Upon the cardholder’s return to work, they are to sign the original Statement of Account.

If the Approving Official is going to be gone from the worksite, arrangements should be made with the Program Coordinator to ensure that the statement(s)/warrant(s) get forwarded for payment processing without delay, with review and sign off by the Approving Official to be done upon return.

### Errors and Disputed Transactions:

There may be occasions when items on your statement do not correlate with the entries in your log or your retained receipts. You may not have made the transaction, the amount of the transaction may be incorrect, or you may have a quality or service issue.

Your first recourse is to contact the supplier involved to try to resolve the error. If the supplier agrees that an error has been made, they will credit your account. Highlight the transaction in question on your log as a reminder that the item is still pending resolution.

If the supplier does not agree that an error has been made, contact US Bank Customer Service using the 800 number on the back of your Purchasing Card. State that you would like to dispute a charge on your card. You will be asked to submit the information in writing so that US Bank can research the disputed item. You may fax the completed Purchasing Cardholder Dispute Form to your representative at US Bank. The amount of the next invoice will be reduced by the amount of the disputed item until the transaction in question is resolved.

Any transaction you wish to dispute must be identified in writing within 60 days of the statement date. Disputes will then be resolved by US Bank within 90 days. If it is necessary to file a dispute, you should do so as soon as possible after receiving your statement.

You are responsible for the transaction identified on your statement. If an audit is conducted on your account, you must be able to produce receipts and/or proof that the transaction occurred. If an error is discovered, you are responsible for showing that the error or dispute resolution process was completed.

Note: You must list an account number for a disputed charge, the month in which the credit is issued (usually the following month), and you must list the same account number to be credited.

### Lost or Stolen Cards:

If your card is lost or stolen, **IMMEDIATELY** notify the corresponding people in the following order:

1. US Bank at 1-800-344-5696
2. Your Approving Official
3. Program Coordinator

Be prepared to provide the following information: your full name; card number; date reported to police (if stolen); date bank was notified; any purchases made on the date the card was lost or stolen. A new card will be mailed to the Program Coordinator within two (2) business days from the time you reported the loss or theft to the bank. A new account number will be assigned to your new card. The Program Coordinator will contact the cardholder as soon as the card arrives.

Changes to Cardholder Information:

Changes to a Cardholder's name or department/division must be immediately reported to your Approving Official and the Program Coordinator on the Request to Amend or Cancel Cal-Card. The Program Coordinator will transmit the information to US Bank.

Transfer or Termination:

Upon leaving employment from the City, you must return your card to the Program Coordinator immediately. If you transfer to another department/division, you must complete and submit the Request to Amend or Cancel Cal-Card form to the Program Coordinator. If your new assignment requires a Cal-Card, the above-mentioned form can be used; it is not necessary to cancel your card. A replacement card will be sent to the Program Coordinator showing your new department/division.

Prohibited Purchases:

The Cal-Card shall not be used by the Cardholder for any of the following:

- Cash advances
- Rental or lease of land; Timeshares
- Court Costs, Fines, Bail, or Bond Payments
- Gambling and/or Betting
- Alcohol or Tobacco Products
- Wire Transfers; Money Orders
- Dating and Escort Services
- Massage Parlors

- Weapons or Firearms
- Political or Religious Organizations
- Tax Payment
- Equipment Rentals
- Capital Equipment
- Consultant and Contract Services
- US Mail Postage Stamps/Envelopes/Cards
- Items that are City standards and/or on Contract with the City of Manteca, such as:
  - Fuel
  - Chemicals
  - Uniforms/Linen Needs
  - Printing (Letterhead/Business Cards/Envelopes)
- Personal Expenditures

**Under no circumstances should the Cal-Card be utilized for personal use.** If there is an occasion where the card had been used accidentally for personal use, the Cardholder would need to write a check to reimburse the City to cover said purchase. The check should be submitted with the statement and warrant, including a written explanation as to how the mistake occurred. The Finance Director will review the information submitted.

A report of attempted use for purchases for those items on the prohibited list will be sent by US Bank to the Program Coordinator. The Program Coordinator will forward this information to the Cardholder's Approving Official for review. If the attempt was found to be misuse, the Cardholder's card may be revoked.

The use of the card for personal use and/or for uses other than approved for business is strictly prohibited and may result in termination. ***The lending of your card or giving of number to other employees is considered misuse and will be handled as a misuse of government funds in accordance with the City of Manteca's Policies and Procedures and will lead to disciplinary action up to termination of employment.***

### Travel-Related Purchases:

Most cardholders are NOT allowed to use their cards for travel-related purchases. Certain administrators (and perhaps their support staff) MAY be allowed to use their cards for travel-related expenses. You will be notified if this is the case. ***Prior to the use of the card for air travel, lodging, car rental, meals, bridge tolls, parking, conference registration fees, or other related travel expenses, the Cardholder must fill out the City's Travel Request Form and have it approved by the proper signatory(s).*** Indications must be given on the form next to each item as to whose VISA card will be used for each expense listed, in order to prevent duplicate payment. Questions regarding how to complete the City's Travel Request form, or how to indicate how you wish the expense to be transacted, can be directed to the Billing Official in Finance. City travel policy applies and is to be followed.

**Only after City Travel Request Form has been approved, can the Cardholder begin the transaction. If there is no completed Travel Request Form, the Cal-Card cannot be used. City policies regarding allowable travel expenses are to be adhered to at all times, including meal allowances.**

Once authorized travel expenses have occurred and shown up on your statement, ***attach a copy of your approved Travel Request Form to the warrant*** and all appropriate receipts to your Cal-Card statement. You must also attach a copy of your statement and travel-related receipts when finalizing and submitting your Travel Request Form.

### Food Purchases:

Food purchases must be justified (adhering to City guidelines) and sufficient documentation must be approved. Example: you have been authorized to purchase lunch for a staff meeting; the training requires staff to remain on-site because of a short lunch period and a presentation that continues during lunch. Include a copy of the agenda and the sign-in sheet to your statement.

## BANK ACCESS ONLINE

Electronic access to Cardholder account and transaction information can be obtained through the US Bank's web site. AccessOnline provides an alternative to waiting for a paper Corporate Account Summary. An exact replica of the Corporate Account Summary is available the day after the cycle (usually the 23<sup>rd</sup> of each month). AccessOnline will enable the Cardholder to:

- Review transactions
- Initiate transaction disputes
- Enhance transaction data

A comprehensive training and communication website for learning AccessOnline is available at <https://wbt.access.usbank.com>. The site is password protected. A letter will be given to you with your card to Access Online. If you should have any problems regarding access, please contact your Program Administrator or the Access Online Technical Support Help Desk via phone (7 days-a-week from 6:30 a.m. to 8:00 p.m. Central Time).

### How to Register On-Line:

1. Website: <https://access.usbank.com>
2. Click on the "Register Online" link towards the bottom left of the screen.
3. Enter the organization short name: CALCRD
4. Enter your credit card number, expiration date, and 95337 as the zip code.
5. Click "Register This Account".
6. Licensing agreement will appear. After review, click "I Agree".
7. You will need to provide a User ID and password. (User ID needs to be 7-20 characters and password must be a combination of letters and numbers and be 8-20 characters.)
8. You will need to answer an authentication question and fill in contact information.
9. The address for the information should be: 1001 W. Center Street, Manteca, CA 95337 (do not use home address). Phone number should be your work phone number.
10. Be sure to include your email address with the contact information so that you can set up "email statement notifications".

#### 11. Setting up Email Notifications:

- Once signed in, choose “My Personal Information” from the menu on the left side of the screen.
- Under contact information, click the link that says “Email Notification”.
- Find the drop down menu under “Statement Notification” and change it to “Enabled”.

## SUMMARY

- The program is designed to be simple and easy to use, providing you with the materials needed to perform your job more quickly and efficiently. However, appropriate controls must also be maintained to ensure the ongoing success of the program.
- We ask you to exercise good judgment and act responsibly when using your Purchasing Card. The Purchasing Card is issued in your name, and all activity will be assumed to have been incurred by you. We ask you to maintain your records for a minimum of one (1) year and always retain copies of your statements and receipts!
- Make sure you are dealing with reputable suppliers, and that you are using a secure, encrypted site when making internet-based purchases. Do not use your card for purchases by solicitation from unknown sources (particularly phone and email solicitations); refer these types of solicitations to the Finance Department staff person.
- Suppliers are paid within three days of your business transaction. Please indicate to suppliers that you do not wish to be invoiced, as an invoice could result in duplicate payment. However, you DO NEED A RECEIPT.
- ***Audits may be conducted on your card activity, including retention of receipts/ sales slips, improper/fraudulent use, and inappropriate use. If personal purchases are made, the situation will be handled as a misuse of government funds in accordance with the City of Manteca's Policies and Procedures and will lead to disciplinary action up to termination of employment.***
- Your feedback regarding this program is important! You are testing a new concept and the procedures developed for our organization. We need to know if you have issues or concerns, and we welcome suggestions for improvement.
- We continue to improve the way we conduct business. Your use of this program in conducting your daily business can help us make significant change in eliminating a variety of manual transactions. If you have any questions about the program or need additional information, please contact the Program Coordinator.

- Remember to always maintain a high degree of ethics in use of the card. When considering a questionable purchase, ask yourself if your manager, and their managers, the City Council, and the public would approve.

The Cal-Card can be a very useful business tool and should be used in accordance with this Handbook and usual procurement guidelines. The Finance Director, or designated appointee, has the authority to terminate the issuance or continuance of cards. It is up to the Cardholder to utilize the Cal-Card in a responsible and auditable way, taking advantage of the unique cost savings, time savings, and management reporting capabilities available from such a program.

**If you have any questions regarding the appropriate use of the Cal-Card,  
Contact your Approving Official or Program Coordinator**

## POINTS OF CONTACT

<b>Finance Director</b>	<b>Suzanne Mallory</b>	<b>(209) 456-8765</b>
<b>Program Coordinator</b>	<b>Jeri Tejada</b>	<b>(209) 456-8770</b>
<b>Approving Official</b>	<b>Your Division Superintendent</b>	
<b>Billing Official</b>	<b>Melody Wilson Heather Candido</b>	<b>(209) 456-8772 (209) 456-8788</b>
<b>US BANK</b>	<b>Customer Service</b>	<b>1-800-344-5696</b>
<b>AccessOnLine</b>	<b>US Bank</b>	<b><a href="https://.access.usbank.com">https://.access.usbank.com</a></b>

## ***City of Manteca***

### **Petty Cash Policy**

A centralized revolving fund shall be maintained by the Finance Department. This fund shall be made accessible to all City departments for replenishment of their petty cash fund. All petty cash requests submitted to the Finance Department for replenishment shall be supported by receipts, invoice and packing slips, etc. and an expense claims form must be properly completed with claimant signature and approval by department head or his/her designee.

The petty cash fund shall be made accessible for the purchase of materials or supplies less than \$75.00. At the request of a department head and recommendation by the Finance Director, departments may establish their own petty cash fund. Cash on hand in these individual departmental petty cash funds shall be limited to \$200.00.

Departments wishing to have their own petty cash must have an appointed custodian by the Department Head. Individual petty cash funds are subject to random auditing by the Finance Department

In recognition of the fact that City employees cannot be required to maintain personal funds to make purchases on behalf of the City, petty cash advances may be allowed. Wherever possible, City employees should use other disbursement methods such as P-Cards or Payment requests. All advances must be approved by the employee's department head or his/her designee. Immediately after the purchase, the change and invoice or receipt must be returned directly to the department's petty cash custodian.

Because all training must be approved in advance by a department head or his/her designee, the petty cash fund shall not be used to pay for training or registration costs. This fund can be used for ancillary training costs including, but not limited to, mileage, parking and meals. Employees provide all documentation listed in the Travel Policy before petty cash reimbursement is provided.



**PETTY CASH EXPENSE CLAIM FORM**

EMPLOYEE INFORMATION			
Name:		Vendor Name:	
Address:		P-CARD Holder Y/N:	
G/L Account #:		Department:	
Please provide a detailed description of the business purpose of each expense. Expense must be less than \$75.00 and shall not be for training or registration costs per the Petty Cash Policy			
Date of Expense	Description of Expense	Receipt attached?	Amount
6/16/2016	<i>What was the expense?</i>	Y	\$
<b>Total Expense Amount</b>			0

I HEREBY CERTIFY BY MY SIGNATURE THAT THE EXPENSE REIMBURSEMENT REQUESTED IS FOR A PURCHASE THAT I HAVE MADE THAT IS FOR BONA FIDE CITY OF MANTECA BUSINESS PURPOSE AND HAS NOT BEEN PAID VIA THE CITY CAL CARD NOR HAS BEEN PREVIOUSLY REIMBURSED AND ANY SERVICES OR EQUIPMENT PURCHASED SHALL REMAIN THE PROPERTY OF THE CITY OF MANTECA

**Employee Signature** \_\_\_\_\_ **Date** \_\_\_\_\_  
 I HEREBY APPROVE THE REIMBURSEMENT OF THE ABOVE EXPENDITURES

**Department Director Signature** \_\_\_\_\_ **Date** \_\_\_\_\_



**REQUEST FOR EMPLOYEE REIMBURSEMENT**

Employee Information	
Name:	Vendor #:
Address:	
Address:	Department:
City/State/Zip:	P-CARD Holder Y/N:

**All requests must be submitted within two weeks of purchase**

Please provide a detailed description of the business purpose of each expense, provide a complete explanation of why personal funds were used in lieu of the standard City of Manteca procurement process (Request for payment, Purchase order or Cal Card) and attached an itemized receipt for each expense listed.

Date of Expense	Description of Expense	Receipt attached?	Amount
6/16/2016	<i>What was the expense? Why were personal funds utilized?</i>	Y	\$
<b>Total Reimbursement Amount</b>			

I HEREBY CERTIFY BY MY SIGNATURE THAT THE EXPENSE REIMBURSEMENT REQUESTED IS FOR A PURCHASE THAT I HAVE MADE THAT IS FOR BONA FIDE CITY OF MANTECA BUSINESS PURPOSE AND HAS NOT BEEN PAID VIA THE CITY CAL CARD NOR HAS BEEN PREVIOUSLY REIMBURSED AND ANY SERVICES OR EQUIPMENT PURCHASED SHALL REMAIN THE PROPERTY OF THE CITY OF MANTECA

**Employee Signature** \_\_\_\_\_ **Date** \_\_\_\_\_  
 I HEREBY APPROVE THE REIMBURSEMENT OF THE ABOVE EXPENDITURES

**Department Director Signature** \_\_\_\_\_ **Date** \_\_\_\_\_



**Note.** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

## What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; do not leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note. ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

**Line 2**

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

**Line 3**

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

**Limited Liability Company (LLC).** If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

**Line 4, Exemptions**

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

**Exempt payee code.**

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

- A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)
- F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- G—A real estate investment trust
- H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I—A common trust fund as defined in section 584(a)
- J—A bank as defined in section 581
- K—A broker
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note.** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

**Line 5**

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

**Line 6**

Enter your city, state, and ZIP code.

**Part I. Taxpayer Identification Number (TIN)**

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.ssa.gov](http://www.ssa.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting [IRS.gov](http://IRS.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

1. **Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
2. **Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
3. **Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
4. **Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
5. **Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

## What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee <sup>1</sup> The actual owner <sup>1</sup>
5. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>2</sup>
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor <sup>*</sup>
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

\*Note. Grantor also must provide a Form W-9 to trustee of trust.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

## Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: [spam@uce.gov](mailto:spam@uce.gov) or contact them at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 1-877-IDTHEFT (1-877-438-4338).

Visit [IRS.gov](http://IRS.gov) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

## EXHIBIT 1

### **Insurance Requirements for Most Contracts** *(Not for Professional Services or Construction Contracts)*

#### **INSURANCE REQUIREMENTS**

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

**Minimum Limits of Insurance:** The Contractor shall maintain limits no less than:

#### **Commercial General Liability**

- Commercial General Liability Insurance with \$2,000,000 minimum limit per occurrence.
- If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- Commercial General Liability Additional Insured Endorsement naming the following as insured **on 2001 or earlier issued endorsement forms:**  
*"City of Manteca, its officers, officials, employees, agents, and volunteers".*

#### **Automobile Liability**

If the vehicles are brought onto city facilities, covering any auto, or of Contractor has no owned autos, hired, and non-owned autos, the Contractor shall maintain automobile liability with limits no less than:

- Automobile Liability Insurance with \$1,000,000 minimum limit per accident for bodily injury and property damage.
- Automobile Liability Additional Insured Endorsement naming the following as additional insured:  
*"City of Manteca, its officers, officials, employees, agents, and volunteers".*

#### **Worker's Compensation**

As required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

#### **Professional Liability (Errors and Omissions)**

Insurance appropriate to the Contractor's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate

#### **Other Insurance Provisions:**

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. The City of Manteca, its officers, officials, employees, agents and volunteers are to be covered as insured's as respect to: liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).
2. For any claims related to this contract, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers, shall be excess of the Contractor's insurance and shall not contribute with it.

3. The applicant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
4. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City of Manteca.

**Verification of Coverage**

Contractor shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Entity before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Manteca reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

**Notice of Cancellation**

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Entity.

**Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Manteca

**Waiver of Subrogation**

Contractor hereby grants to The City of Manteca a waiver of any right to subrogation which any insurer of said Contractor may acquire against the Entity by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Entity has received a waiver of subrogation endorsement from the insurer.

**SPECIAL RISKS OR CIRCUMSTANCES**

The City of Manteca reserves the right to modify these requirements based on the nature of the risk, prior events, insurance coverage, or other special circumstances.

# EXHIBIT 1

## **Insurance Requirements for Professional Services**

### **INSURANCE REQUIREMENTS**

Consultants shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, employees or subcontractors.

**Minimum Limits of Insurance:** Coverage shall be at least as broad as:

#### **Commercial General Liability**

- Commercial General Liability Insurance with \$2,000,000 minimum limit per occurrence.
- If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- Commercial General Liability Additional Insured Endorsement naming the following as insured **on 2001 or earlier issued endorsement forms:**  
*“City of Manteca, its officers, officials, employees, agents, and volunteers”.*

#### **Automobile Liability**

If the vehicles are brought onto city facilities, covering any auto, or of Contractor has no owned autos, hired, and non-owned autos, the Contractor shall maintain automobile liability with limits no less than:

- Automobile Liability Insurance with \$1,000,000 minimum limit per accident for bodily injury and property damage.
- Automobile Liability Additional Insured Endorsement naming the following as additional insured:  
*“City of Manteca, its officers, officials, employees, agents, and volunteers”.*

#### **Worker’s Compensation**

As required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

#### **Professional Liability (Errors and Omissions)**

Insurance appropriate to the Contractor’s profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate

#### **Other Insurance Provisions:**

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. The City of Manteca, its officers, officials, employees, agents and volunteers are to be covered as insured’s as respect to: liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work operations. General liability coverage can be provided in the form of an endorsement to the Consultant’s insurance (at least as broad as ISO form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).
2. For any claims related to this contract, the Consultant’s insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers, shall be excess of the Consultant’s insurance and shall not contribute with it.

3. The applicant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
4. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City of Manteca.

**Verification of Coverage**

Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Entity before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City of Manteca reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

**Notice of Cancellation**

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Entity.

**Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Manteca

**Waiver of Subrogation**

Consultant hereby grants to The City of Manteca a waiver of any right to subrogation which any insurer of said Consultant may acquire against the Entity by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Entity has received a waiver of subrogation endorsement from the insurer.

**Subcontractors**

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that The City of Manteca is an additional insured on insurance required from subcontractors.

**SPECIAL RISKS OR CIRCUMSTANCES**

The City of Manteca reserves the right to modify these requirements based on the nature of the risk, prior events, insurance coverage, or other special circumstances.



VENDOR INFORMATION

Vendor Name:

Vendor #:

Address:

Contact Name:

City/State/Zip

Phone #:

Email Address:

DEPARTMENT INFORMATION

Department:

Fiscal Year Requested:

Requested by:

Date:

Letters of Credit have been established in lieu of Open Purchase Orders (MMC 3.24.090) and will be allowed on a very limited basis. They are designed to procure repetitive, high volume, low dollar value items on a continuing basis from local suppliers without specific approval. A maximum per purchase dollar amount not to exceed \$150 per day

BREIF DESCRIPTION OF ITEMS TO BE PURCHASED AND FREQUENCY OF NEED

LIST OF AUTHORIZED DEPARTMENT PERSONNEL


Department Director Approval

\_\_\_\_\_

Date

\_\_\_\_\_

Director of Finance Approval

\_\_\_\_\_

Date

\_\_\_\_\_