



# Town of Conception Bay South Policy Manual

**Title: Procurement Card Policy**  
**Policy Number: 079**

**Resolution Number: 16-150**  
**Date Approved: April 19, 2016**

## **PURPOSE:**

The Town of Conception Bay South will use a purchasing card (also known as a procurement card) program is to provide an efficient, cost-effective method of purchasing and paying for small –dollar as well as high volume purchases. This type of program is used as an alternative to the traditional purchasing process and can result in a significant reduction in the volume of purchase orders, invoices, and cheques processed.

## **AUTHORITY:**

*Municipalities Act, 1999*  
Council Discretion

## **PROCEDURE:**

Purchasing cards can be used whenever a purchase order, cheque request or petty cash would have been processed and with any vendor that accepts credit cards. There are numerous benefits to a purchasing card program. Benefits to the municipality include:

- Simplified purchasing and payment process
- Lower overall transaction processing costs per purchase
- Increased management information on purchasing histories
- Convenience of purchasing without a purchase order
- Expedited delivery of goods
- Better pricing on goods possibly
- Longer use of cash resources to invest
- Avoidance of late payment penalties
- Expanded list of merchants from whom purchases can be made
- Reduced paperwork
- Decentralized procurement function
- The ability to set and control purchasing dollar limits
- The ability to control purchases to specific merchant categories
- Receipt of rebates from the bank based upon dollar volumes

## **REVISION HISTORY:**

<b>Revision:</b>	<b>Author:</b>	<b>Change Made:</b>	<b>Date:</b>