



## City of Murrieta City Council Policy

POLICY: Fuel Card Use

POLICY NO.: 100-21

DATE: June 17, 2014

### ***PURPOSE***

Fuel cards offer a convenient way for city staff to re-fuel vehicles quickly and efficiently in the course of city business while maintaining maximum safeguards. The purpose of this policy is to provide rules, guidance and procedures for the use of fuel cards.

### ***DEFINITIONS***

- A. The "Fuel Card Administrator" (hereinafter referred to as "Administrator") is responsible for administering the fleet card program for the City. The Administrative Services Director will designate a citywide Administrator.
- B. The Department Coordinator (hereinafter referred to as "Coordinator") is responsible for the oversight of the fuel card program for each department.
- C. The Fuel Card Supervisor (hereinafter referred to as "Supervisor") is a Department Head or delegate responsible for ensuring that city vehicles and fuel cards are used for official city business only.
- D. Fuel Card User (hereinafter referred to as "User") is any city employee authorized to use a city-issued fuel card.

### ***POLICY***

- A. Scope of Use
  1. Each authorized User, as identified by the Administrator, will be assigned a fuel card.
  2. The fuel cards are to be used for retail purchases of fuel used in city vehicles.
- B. Allowable Purchases
  1. Regular unleaded and diesel gasoline for use in city vehicles and equipment.
  2. Alternative fuels (e.g., biodegradable diesel, E-85, CNG, propane, etc.) when appropriate.
- C. Prohibited Purchases
  1. Mid-grade or premium (supreme) unleaded gasoline unless specifically required by the vehicle manufacturer.
  2. Fuel for personal vehicles even if being used on city business.
  3. The fuel cannot be used for short-term commercial vehicle rentals unless an emergency arises and the User has prior departmental approval for use of the card in such circumstances.
  4. Miscellaneous items such as food or sundries (personal items).
- D. Staff Responsibilities
  1. Fuel Card Administrator Responsibilities

- i. Manage the additions, changes and deletions of cards, drivers and departments (if necessary) so that requests and changes may be managed and monitored.
  - ii. Monitor card usage, review and reconcile invoices, and ensure monthly invoices are paid on a timely basis with the assistance of Coordinators.
  - iii. Provide a monthly report by cardholder of all transactions to department Supervisors.
  - iv. Establish and maintain purchase limits for fuel cards; daily transaction, daily dollar amounts, monthly dollar amounts.
  - v. Report any determined misuse for appropriate action to Administrative Services Director.
- 2. Department Coordinator Responsibilities
  - i. Instruct card users on fuel purchasing policy and procedure so that fuel cards are properly used.
  - ii. Inform Administrator of any additions, changes, or deletions of authorized drivers so the account is accurate and current.
  - iii. Assist with monitoring the card usage, including working with Administrator on reviewing and reconciling all fuel card purchases.
- 3. Fuel Card Supervisor Responsibilities
  - i. Designates fuel card users and Coordinators
    - 1. Report the name of Coordinator, along with contact information to the Administrator.
    - 2. Employees receiving a car allowance should not be able to hold a fuel card unless specific exemption exists with prior consent of the City Manager.
  - ii. Recommends exceptions to fuel card limits for individuals to Coordinator.
  - iii. Review and approve all fuel card transactions for each authorized employee under their supervision and ensure fuel card use is consistent with the employee's work assignments.
    - 1. Discuss any questionable purchases with the User.
    - 2. If any discrepancies exist, report such activity to Administrator.
  - iv. Quarterly assess the need for issued fuel cards and make recommendations to the Administrator for cancellations.
  - v. Establish additional controls and restrictions to ensure compliance.
- 4. Fuel Card User Responsibilities
  - i. Meet with the Administrator to receive fuel card. Review Fuel Card User Agreement, sign and date for receipt of fuel card.
  - ii. Secure fuel card at all times. Do not share with other users.
  - iii. Enter fleet vehicle's identification number and correct odometer reading when prompted at the gas pump while fueling a city vehicle.
  - iv. Purchase regular grade (unleaded) or diesel gasoline only. The purchase of mid-grade or premium (supreme) unleaded gasoline is prohibited unless specifically required by the vehicle manufacturer.

- v. It is the responsibility of the User to provide justification for all emergency purchases to Supervisor.
- vi. Report lost or stolen fuel cards immediately to the Supervisor or Coordinator. If no one is available, contact Voyager Customer Service directly at (800) 987-6591, 24 hours a day, 7 days a week. Inform the Supervisor and Coordinator as soon as possible.
- vii. Do not purchase prohibited miscellaneous store items such as food or sundries.

E. Obtaining a Fuel Card

1. Employees should meet with Supervisor to request a fuel card.
2. The Supervisor shall make requests to the Administrator for fuel cards.
  - i. Each card shall have pre-established credit limits, purchase limits, and limit on daily number of transactions.
  - ii. Request for changes to these limits shall only be authorized by the Supervisor.
3. The Administrator shall require the User to sign a Fuel Card User Agreement.

F. Canceling a Fuel Card

1. Supervisors and/or Coordinators shall immediately notify the Administrator in writing when:
  - i. A fuel card is lost or stolen.
  - ii. An authorized User's employment with the city is terminated.
2. The written notification shall include a request to cancel the card, the reason for canceling the card, identify the fuel card number and authorized user.
3. Upon written notification, the Administrator shall request from the fuel card company that the card be cancelled.
4. The written request shall be filed for record keeping purposes.

G. Separation from City

1. Prior to separation from the City, the User shall surrender the fuel card to the Human Resources Department.
2. Upon receipt of the fuel card, the Human Resources Department will forward the fuel card along with the required or applicable forms or documents to the Administrator.
3. The Administrator will contact the fuel card company and deactivate the fuel card and it will be destroyed.

H. Reimbursement

1. Employees may submit a request for reimbursement for fuel purchased for city use with personal funds consistent with the city's Travel Policy. A request for reimbursement must be submitted to the Finance Department along with the original receipt and other supporting documentation.

I. Disputed Charges

1. The Supervisor shall inform the Administrator of disputed charges within two (2) calendar days. Communication shall be documented.
2. The Administrator shall inform the fuel card company within two (2) calendar days of knowledge of disputed charges. Communication shall be documented.

J. Consequences of Improper Use

1. Any misuse of the card will result in reasonable disciplinary actions that may include a combination of the following:
  - i. Payroll deduction of any unauthorized purchases and of any administrative costs associated with any unauthorized purchase.
  - ii. Reimbursement to City for unauthorized purchases and any administrative costs associated with the unauthorized purchase.
  - iii. Transfer of duty that does not involve or require the use of a fuel card.
  - iv. Limitation on the use of the card and/or termination of the right to use the card.
  - v. Other discipline as authorized by city personnel policies.
  - vi. Termination of employment.


### ***PROCEDURES***

- A. A Fuel Card User Agreement acknowledging the understanding of this policy and the sanctions for misuse must be signed and kept in a file by the Administrator for each individual utilizing a fuel card.
- B. All funds for the fuel cards shall be budgeted appropriately.
- C. When using the fuel card at a self serve pump, the User will:
  1. Swipe card at the pump card reader. If the pump terminal requires you to choose either “Credit” or “Debit”, press the “Credit” key.
  2. The pump terminal will prompt for a vehicle number. Enter assigned number and press “Enter.”
    - i. Some stations may require additional digits. Zeros should be entered in front of the vehicle number for the required amount of digits.
  3. The pump terminal will prompt for an odometer reading. Enter the odometer as a whole number. Do not enter tenths of a mile. User must enter the correct odometer reading.
- D. When using the fuel card with the assistance of a store attendant for a self serve pump, the employee shall ensure that the attendant:
  1. Enters the vehicle number.
  2. Enters the odometer reading.
- E. When the fuel card statement is received, the City Clerk’s Office shall deliver all documents necessary for payment to correct departments in accordance with city invoice procedures.
  1. Users will forward billing statements to Supervisors or delegated staff for review and approval.
  2. The Coordinators shall forward approved statements to the Finance Department.
  3. The Coordinator shall make every effort in the normal course of business to forward approved billing statements within ten (10) calendar days for payment.
- F. The Finance Department shall review approved statements and enter billing statements into the financial accounting system for payment.
- G. The Administrator shall provide each department Supervisor a report by cardholder of all transactions at the close of each billing cycle.

- H. The fuel card is never to be used for personal, non-city related purchases and or securing of goods or services.
- I. The Administrative Services Director or designee, at their discretion, may terminate privileges at any time due to misuse and/or abuse.

***HISTORY***

Adopted June 17, 2014



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ALAN LONG  
Mayor

RESOLUTION NO. 14 - 3238

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MURRIETA, CALIFORNIA, APPROVING A PARTICIPATING ENTITY ADDENDUM AGREEMENT ON THE STATE OF CALIFORNIA'S MASTER PURCHASING AGREEMENT WITH U.S. BANK VOYAGER FLEET SYSTEMS INC., APPROVING AN AGREEMENT WITH THE SOCO GROUP, INC. FOR THE PURCHASE OF MOTOR VEHICLE FUEL AND COOPERATIVE AGREEMENT WITH THE COUNTY OF RIVERSIDE, AND APPROVING A MEMORANDUM OF UNDERSTANDING WITH THE MURRIETA VALLEY UNIFIED SCHOOL DISTRICT FOR EMERGENCY USE OF THE DISTRICT'S FUEL FACILITY

WHEREAS, the City seeks to modify its fleet fuel administration and purchases; and

WHEREAS, the City has determined it is in its best interest to authorize the procurement of fuel for City vehicles through cooperative purchase agreements previously awarded by the State of California and the County of Riverside; and

WHEREAS, the City has the opportunity to participate in the State of California's master purchasing agreement with U.S. Bank Voyager Fleet Systems Inc. to provide the City with an offsite fleet fueling system; and

WHEREAS, by using the Voyager fleet card system, the City will reduce its administrative burdens in fuel management and gain greater control over the City's fuel usage; and

WHEREAS, the City's use of the Voyager fleet card system will commit City expenditures to local businesses; and

WHEREAS, the Voyager fleet card system will be primarily used for unleaded fuel purchases for City pool vehicles in lieu of fueling at City fire stations; and

WHEREAS, the City will remove unleaded fuel tanks from service at four fire stations, but continue to maintain one diesel/unleaded combination tank at the Police Station; and

WHEREAS, the City has the opportunity to participate in the County of Riverside cooperative purchase agreement with The SoCo Group, Inc. for the purchase and delivery of motor vehicle fuel to Fire and Police fuel sites; and

WHEREAS, pursuant to the terms and conditions of Request for Proposal PUARC-1175 and the resultant contract allow, but do not obligate, the City to purchase fuel from The SoCo Group, Inc. and require The SoCo Group, Inc. to provide fuel to the City and other participating agencies, at the prices bid in response to the RFP; and

WHEREAS, the contract price for the various fuels contemplated in the RFP is based upon the Oil Price Information Service (OPIS) "Unbranded Rack Average" daily fuel price for the Colton index and such pricing represents the best value for the City; and

WHEREAS the City wishes to secure a secondary fuel source in the event of a declared emergency disaster event; and

WHEREAS, the City and the District have expressed mutual interest in establishing a joint partnership agreement that facilitates and encourages sharing of District fueling facilities during an emergency disaster event; and

WHEREAS the District owns and maintains a diesel fuel and unleaded gasoline fuel facility located at 41870 McAlby Ct. Murrieta, CA (hereinafter referred to as "Facility"); and

WHEREAS the City and the District have determined that entering into a joint partnership agreement to provide supplemental sources of fuel for City vehicles will enable the City to coordinate response, recovery and mitigation activities within the City to protect life and property during a local emergency disaster event; and

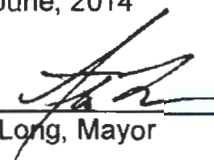
WHEREAS this Agreement is intended to formalize the City's responsibility to reimburse the District for fuel consumed at the District's Facility; and

WHEREAS, the proposed agreements are exempt from the competitive bidding process pursuant to Murrieta Municipal Code Chapter 3.08,

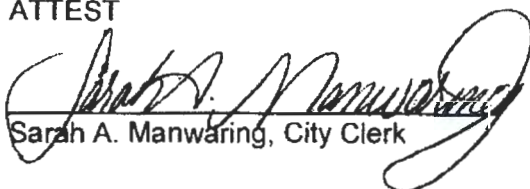
NOW, THEREFORE, BE IT RESOLVED, by the City Council of Murrieta as follows:

1. That the Participating Entity Addendum Agreement on the State of California's master purchasing agreement with U.S. Bank Voyager Fleet Systems Inc. is approved to provide an offsite fleet fueling system for a period of two (2) years and four (4) months beginning on July 1, 2014.
2. That the Agreement with The SoCo Group, Inc. for the purchase of motor vehicle fuel, on an as-needed basis, in accordance with the terms and conditions of Request for Proposal number PUARC-1175 and the Cooperative Agreement with the County of Riverside is approved for a period of two (2) years and three (3) months beginning on July 1, 2014.
3. That the Memorandum of Understanding for the emergency use of the Murrieta Valley Unified School District's fuel facility is approved and authorization is provided to the City Manager to approve future amendments.

PASSED, APPROVED, AND ADOPTED this 17<sup>th</sup> day of June, 2014

  
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Alan Long, Mayor

ATTEST

  
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Sarah A. Manwaring, City Clerk

APPROVED AS TO FORM:

  
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Leslie E. Devaney, City Attorney

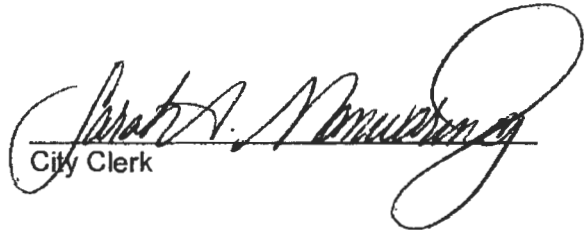
I, Sarah A. Manwaring, City Clerk of the City of Murrieta, California, do hereby certify under penalty of perjury that the foregoing Resolution was duly adopted at a regular meeting of the City Council on the 17<sup>th</sup> day of June, 2014, by the following roll call vote:

AYES: BENNETT, GIBBS, LANE, RAMOS, AND LONG

NOES: NONE

ABSENT NONE

ABSTAIN:

  
\_\_\_\_\_  
City Clerk