



State of Oklahoma Purchase Card Procedures

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DEFINITIONS

“Acquiring Bank” – the bank that signs a merchant to accept their credit card (for example: MasterCard, Visa, etc.). Synonymous with “merchant bank” or “merchant acquirer.”

“Chip & Pin card” – cards with a chip embedded in the card for communication with the new EMV machines.

“Cycle” – the period of time between billings. For example, the State of Oklahoma P-Card closing period ends at midnight on the last business day of each month. The P-Card cycle dates are posted on the OMES website. Synonymous with “billing cycle.”

“Emergency acquisition” – an acquisition made by the State Purchasing Director or a state agency without seeking competitive bids to relieve an unforeseen condition believed to endanger human life or safety, poses imminent significant danger to property or is a condition certified by the Governor as a serious environmental situation. [OAC 260:115-7-19]

“EMV” – Euro-pay MasterCard Visa. Synonymous with “Chip” or “Chip & Pin” card. Also the term used to refer to the chip reader machine.

“Invoice” means a document issued by the Issuing Bank to an organization to effect payment for goods and services purchased using the P-Card and are available via the bank’s transaction system. Payment will be made directly to the Bank.

“Issuing Bank” means the bank issuing the P-Card to an organization. The State of Oklahoma Issuing Bank is Bank of America (ISSUING BANK). Synonymous with “Servicing Bank,” “Card Issuer” or “Current Statewide Contract 200 contract holder”.

“Low Dollar Acquisition” means an open market acquisition that is fair and reasonable and does not exceed Five Thousand Dollars (\$5,000.00).

“Merchant” means a business or other organization that may provide goods or services to a customer. Synonymous with “vendor.”

“Merchant Category Code (MCC)” means a standard code the credit card industry uses to categorize merchants based on the type of goods or services provided by the merchant. A merchant is assigned an MCC by the acquiring bank.

“Merchant Category Code Group (MCCG)” means a defined group of merchant category codes. MCCGs are used to control whether or not P-Cardholders can make purchases from particular types of merchants.

“Payment Confirmation” means a transaction document that can be part of a receipt, which shows a payment was issued. Can be a confirmation number or order number.

“Point of Sale Code (POS)” means a code entered by the merchant at the time of an on-site sale.

“Purchase Card or P-Card Program Participant” means an individual designated by a State Entity to perform a P-Card Program responsibility, as authorized and defined in these Procedures, who have a signed Purchase Card Employee Agreement filed with the State Entity P-Card Administrator including, but not limited to, State Entity P- Card Administrators and back-ups, Approving Officials and back-ups, and P-Cardholders. It does not include an individual who may be assigned to create the P-Card voucher or payment; or, designated as Accountants in Works, when this is their only role in the P-Card Program. This agreement can be signed via e-signature.

“Single Purchase Limit” means the maximum spending (dollar) limit a P-Card holder is authorized to charge in a single transaction. Purchases shall not be split with the intent of and for the purpose of evading (1) the P-Card statutory single purchase limit of \$5,000.00 (does not include Statewide Contract, Interagency, Professional Services per Title 18 or payment of utility transactions); and/or (2) limit(s) established for an individual P- Card; and/or (3) a competitive bidding requirement.

“Signature” means a handwritten signature or an e-signature. E-signatures are considered original electronic signatures and acceptable by OMES.

“Split Purchase” means dividing a known quantity or failing to consolidate a known quantity of an acquisition for the purpose of evading a competitive bidding requirement. Conviction for making an acquisition by split purchase is a felony pursuant to the Oklahoma Central Purchasing Act.

“State Entity” means a unit of state government. It includes, but is not limited to, any agency, office, officer, bureau, board, council, court and associated organizations, commission, institution, unit, division, or other units of state government, whether elected or appointed. It excludes only political subdivisions of the state. Synonymous with “Entity.”

“State Entity Chief Administrative Officer” is synonymous with Executive Director.

“State Purchase Card or P-Card” means an electronic transaction device used for making acquisitions.

“Statement” means a document listing P-Card account activity issued to a State Entity by the Issuing Bank. The statement is available via the Issuing Bank’s transaction system and is used for management and reconciliation purposes as well as the basis for payment.

“Statewide Contract” means a contract issued by the OMES, Central Purchasing Division for specific acquisitions for a specified period, with a provision allowing the agencies and local governmental entities to place orders as acquisitions are needed for delivery, during the period specified.

“Transaction” means a single purchase. A credit also constitutes a transaction.

“Transaction Documentation” means all documents pertaining to a transaction. The documentation is also used for reconciliation at the end of the billing cycle and is to be retained with the monthly reconciliation documentation for review and audit purposes. Examples of transaction documentation include, but are not limited to: itemized purchase receipts, receiving documents, credits, disputes, written approvals, airline exception justifications, Travel P-Card lodging letter, exception requests (OMES/Purchasing Form-030) (P-Card forms), , all transaction correspondence, and any other item referencing the transaction. Synonymous with “Transaction Documents”.

“Transaction System” means the web-based tool provided by the Issuing Bank to record and access transaction information. Synonymous with “Works.”

“TSYS” means the card processing system utilized by the Issuing Bank and is the gateway to the Credit Card network. TSYS manages card P-Card Program spend controls, statement generation, card issuance, authorizations, and declines.

“Acceptable Electronic Signature Technology” (e-signature) means technology that is capable of creating a signature that is unique to the person using it; is capable of verification, is under the sole control of the person using it, and is linked to the data in such a manner that if the data is changed, the electronic signature is invalidated.

“TXN” means the transaction number assigned to every transaction in the ISSUING BANK online system. Every transaction is issued this unique number. Using this number in notes to cross reference a transaction to a credit is highly recommended.

“Utilities” means electricity, water, gas, and sewer.

1 STATE PURCHASE CARD PROGRAM DESCRIPTION

1.1 Program

The State of Oklahoma Purchase Card (P-Card) Program establishes the use, by designated State employees, of commercial purchase cards to facilitate the acquisition of goods and services necessary for conducting official State business. There is no limit on the amount of a P-Card transaction for purchases from a Statewide Contract or payment of utilities. For any other transaction with a state purchase card, the transaction shall not exceed Five Thousand Dollars (\$5,000.00). All purchases shall be made in accordance with State statutes, rules, and these Procedures, which include but may not be limited to:

- Central Purchasing Act, 74 O.S. § 85.1 et seq.
- State Travel Reimbursement Act (STRA), 74 O.S. § 500 et seq.
- State of Oklahoma Travel Policy
- OMES, Central Purchasing Codified Rules, OAC 260:115
- State Agency Internal Purchasing and P-Card Procedures
- Statewide Accounting Manual

State entities are encouraged to use the P-Card in lieu of purchase orders and authority orders when possible. The P-Card can be used with any merchant that accepts Visa as a form of payment. It is intended that P-Cards be issued to selected State employees when the use of the P-Card will enhance State Entity effectiveness or economy of operation. If used to its potential, the P-Card Program will result in a significant reduction in the volume of purchase orders and related documentation including invoices and checks. In addition, corresponding work processes associated with ordering and check writing may be reduced.

Cards are issued in the name of the State but also bear the name of the P-Card holder, name of the P-Card holder's State Entity, and the P-Card holder's unique account number. Liability for payment to the P-Card issuer rests with the State. Employees involved in the P-Card Program are subject to State ethics laws and directives. More information can be located at <http://www.ok.gov/ethics>

1.2 P-Card Program Benefits

Some of the benefits of using P-Cards for payment are reduced paperwork and transaction costs, ease of purchasing, prompt payment to merchants, a good audit trail, safeguards against card misuse, an expanded number of merchants willing to do business with the State, and in some cases, use of a P-Card may result in discounts.

1.3 State of Oklahoma Contract

As the result of competitive bidding, the Office of Management and Enterprise Services (OMES) Central Purchasing awarded the prime contract for purchase card services to Bank of America. The contract is a **mandatory** statewide contract for state agencies if wanting to utilize a purchase card as a payment mechanism. Oklahoma institutions of higher education and political subdivisions may also use the prime contract; however, they must execute sub-agreements and establish their own method of payment with the Issuing Bank.

1.4 P-Card Program Authorization

The P-Card Program is authorized by the Oklahoma Central Purchasing Act (74 O.S. § 85.5).

1.5 Conditions of Participation

State entities, as a condition of participation in the P-Card Program and use of the statewide contract, shall abide by the terms of these Procedures unless a "Request for Exception" OMES-FORM-CP-030 is submitted and approved by the State Purchasing Director. The request shall: (1) cite the specific paragraph(s) of these Procedures for which the exception is requested; (2) include a description and

justification for the exception; and, (3) state the specific length of time for which the exception is necessary, up to a maximum of 12 months, and can be accessed at https://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/P-Card_Forms/. The State Entity Purchase Card Administrator and State P-Card Administrator shall keep approved exceptions on file.

State Entity (Agency) P-Card procedures shall be made a part of the State Entity's approved internal purchasing procedures. State Entities must submit their revised internal purchasing procedures to OMES Central Purchasing within 6 months of completing the P-Card Program implementation process. State Entities should review their internal purchasing procedures and P-Card procedures annually and make any revisions necessary to be in compliance with any changes in the State of Oklahoma Purchase Card Procedures; The Central Purchasing Act (Title 74 O.S. § 85.1 et. seq.); the OMES Central Purchasing Administrative Rules; or any other applicable statutes or administrative rules. If any changes are made to the State Entity's internal P-Card procedures, State Entities must resubmit their internal purchasing procedures and internal Purchase Card procedures to OMES Central Purchasing.

Failure to comply with all conditions of participation may result in a State Entity's removal from the P-Card Program by the State Purchasing Director.

1.6 Exemption

Institutions of higher education and political subdivisions may develop and implement their own procedures in lieu of these Procedures.

1.7 Transaction Flow

A typical P-Card transaction consists of the following steps:

- 1.7.1** P-Card holder makes purchase from a merchant using a P-Card and retains all transaction documentation for reconciliation at the end of the cycle.
- 1.7.2** Merchant delivers goods or services and submits transaction to the Acquiring Bank.
- 1.7.3** The Acquiring Bank requests authorization through the Credit Card Network, which processes and submits payment to the merchant.
- 1.7.4** The State Entity shall populate the description field on the bank's transaction system with a brief description of the goods or services purchased. For each transaction posted, required information should be updated on a regular basis (at least weekly, but, preferably daily) to ensure adequate time for the reconciliation and payment process at the end of the cycle. Required information includes description, funding information, SW contract #, and account codes as determined by the agency.
- 1.7.5** The Issuing Bank furnishes State Entity with access to an electronic monthly report (statement) for purchases.
- 1.7.6** The Issuing Bank provides State Entity access to on-line transaction information for continuous reconciliation and funding verification prior to data transmission to the State accounts payable system.
- 1.7.7** P-Card holder reconciles receipts and any other transaction documentation monthly and forwards to State Entity Approving Official.
- 1.7.8** State Entity Approving Official(s) reviews and approves reconciliation and forwards to State Entity accounting.
- 1.7.9** State Entity makes a single monthly payment for the amount of the electronic invoice, which should reconcile with the State Entity statement, to the Issuing Bank on the scheduled due date.
- 1.7.10** Agencies may choose to scan transaction supporting documents and attach them to the

corresponding transaction in the bank's online system. Documentation uploaded into Works does not meet the retention requirements of the Oklahoma Department of Libraries. See section 4.6 for retention requirement information.

- 1.7.11** In lieu of running individual cardholder statements at the end of the cycle, the state entity can elect to use the online cardholder and approver sign off function in Works for all agency cardholders (Proxy Reconciler sign off doesn't qualify as cardholder sign off for this option). All supporting documentation must be retained by the agency for the specified records retention period. If this option is selected, the Entity P-Card Administrator must run and retain the RPT 170 End of Cycle Transaction Detail Report. State Entities should determine end of cycle processes internally.

2 ORGANIZATION AND TRAINING

2.1 Executive Advisory Group

Provides overall guidance and directions for the P-Card Program. It is chaired by the State Purchasing Director. Other members are the State Comptroller, the Director of IT (or designee), and the OMES Auditor.

2.2 State Purchasing Director

The State Purchasing Director is responsible for management of the P-Card Program.

2.3 State P-Card Administrator

The Central Purchasing staff member designated to assist the State Purchasing Director with implementation and operation of the P-Card Program.

2.4 Contracting Officer

The designated Central Purchasing staff member with the delegated authority committing the State to a contractual obligation with the issuing bank; and assists with the P-Card Program implementation and operation.

2.5 State Entity P-Card Administrator

The State Entity individual designated by the State Entity Chief Administrative Officer to manage (on a day-to-day basis and in detail) the P-Card Program and transaction system for the State Entity. This employee and any designated back-up are the only employees authorized with the Issuing Bank to designate or change P-Card holder and card limits for their State Entity. The State Entity P-Card Administrator is the primary interface with the State P-Card Administrator and the issuing bank.

Note: The State Purchasing Director and State P-Card Administrator have authority with the Issuing Bank to make changes, additions, and/or deletions to accounts for P-Card Program participants.

2.6 State Entity Approving Officials

One or more State Entity staff members designated by the State Entity P-Card Administrator to review and approve P-Card holder transactions. State Entity Approving Officials must be at least one level above the P-Card holder's position (based on the organizational chart or other determined method) and be current with P-Card training. The State Entity P-Card Administrator may designate in writing, Back-up State Entity Approving Officials. The Back-up State Entity Approving Official must be at least one level above the P-Cardholder's position, be current with P-Card training and have a signed P-Card Employee Agreement on file with the State Entity P-Card Administrator.

2.7 P-Cardholders

One or more State Entity staff members designated by the State Entity P-Card Administrator to execute purchases using an assigned P-Card. P-Card holder must complete the appropriate P-Card training prior to being issued P-Cards.

2.8 Training

Entity Administrators and back-ups, Approving Officials and back-ups, and cardholders must successfully complete the initial training provided by OMES as authorized by the State Purchasing Director prior to assuming their duties and/or prior to being issued any type of P-Card. The OMES P-Card training schedule and P-Card Training Registration form (OMES-Form-CP-058) are located at https://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/P-Card_Forms/.

Attendees arriving more than 15 minutes late to initial OMES P-Card training will be required to repeat the class.

In addition to OMES training, all agencies are responsible for training their program participants on internal P-Card procedures and processes in their agency.

Frequent or ongoing training will be conducted or determined by each agency P-Card Administrator for the duration of program participation. Acceptable training options include, but may not be limited to; In-house P-Card training specific to agency, Skill Soft P-Card modules, P-Card related brown bag lunches conducted by Central Purchasing, P-Card related procurement classes offered for the CPO program, audit classes conducted or sponsored by OMES, ethics classes conducted or sponsored by OMES or Ethics Commission, State Use educational events or seminars, P-Card related travel training, P-Card Summit, P-Card related webinars, P-Card test (provided by OMES/CP), Training Videos or Live Training offered through Works, or other P-Card related events or classes developed at a later date.

Training may be provided by OMES or the employee's State Entity P-Card Administrator or designated instructor. The State Entity P-Card Administrators shall document the date training was attended on the employee agreement or Excel spreadsheet. Training records shall be made available to the State P-Card Administrator upon request. For training completed on Skill Soft, submit a copy of your Certificate to your Entity P-card Administrator who will update your employee agreement or spreadsheet. Entity P-Card Administrators are responsible for maintaining agency-determined ongoing training records for all of their cardholders and approvers. Any refresher training information sent to the State P-Card Administrator must include: cardholder name, agency name & number, and completion date.

Quarterly Administrators Council attendance will be considered sufficient on-going training for Entity P-Card Administrators.

CEU's for published courses or Skill Soft modules are allowed only once every 2 years.

Accountants may attend the OMES P-Card class or be trained by the Entity P-Card Administrator. Classes on transaction editing will be available from the State P-Card Administration Office.

2.9 Purchase Card Employee Agreement

All State Entity P-Card Program Participants must read and sign the State of Oklahoma Purchase Card Employee Agreement form in the appropriate signature block, prior to assuming their duties and/or being issued P-Cards. By signing the agreement, the participant acknowledges that he or she understands the intent of the P-Card Program and agrees to follow these Procedures and any policies or directives established by OMES to supplement these Procedures. If an employee no longer holds a position within the P-Card Program, the State Entity P-Card Administrator shall notate the termination date, the card cancellation date (if applicable), and the transaction system account deactivation date on page 2 of the Agreement. The State Purchase Card Employee Agreement (OMES Form-CP-059) is located on the OMES website at https://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/P-Card_Forms/.

- The State Entity P-Card Administrator shall maintain the original employee-signed copy of the Agreement for all participants of the P-Card Program. A copy of the signed agreement shall be provided to the employee. For participants who are P-Card holders, the P-Card Agreement form shall also contain card limitations applied to the individual employee.

2.10 Employee Status

All personnel serving as State Entity P-Card Administrators and designated back-ups, State Entity Approving Officials and designated back-ups, P-Cardholders, or proxy reconcilers must be a full time or permanent part time (not temporary or contract) employee of a State Entity.

2.11 Cards for Executive Directors

A State Entity's Governing Board or Commission shall determine if the Entity Executive Director is to have a State Purchase Card. The minutes of the Governing Board or Commission shall reflect the approval, as well as the cycle limits and single transaction limit. Training is required per section 2.8. A copy of the Board or Commission approval must be submitted with the training registration form.

The cardholder shall edit the description field in Works and sign off. The option for automatic sign-off cannot be selected at the cardholder (accontholder) level. The transactions shall be set to auto-approve at the Approving Official level and move to the accountant who will edit the funding information. At the end of each cycle the appropriate cardholder statement, as determined by the State Entity P-Card Administrator, must be reviewed by the agency's primary CPO or designated CPO through Inter-agency agreement, and presented to the agency's Governing Board or Commission as an agenda line item at the next meeting following the incurred expenses. The agenda line item should be Submission of Executive Director's P-Card Statement for Review and Approval. The Board or Commission Chairperson shall sign the statement upon approval.

Statements not receiving approval and signature shall include an explanation of the issue(s) preventing approval and expected resolution(s). The Executive Director's P-Card shall be suspended by the State Entity P-Card Administrator until resolution is completed, the statement has been approved, and the P-Card has been reinstated by the Governing Board or Commission.

The State Entity P-Card Administrator is responsible to make sure that the State Entity's Executive Director's statements are completed.

3 IMPLEMENTATION AND MAINTENANCE

3.1 Implementation

State Entities and Political Subdivisions wishing to participate in the State P-Card Program shall submit a written request on their State Entity or Political Subdivision letterhead, signed by the State Entity's Chief Administrative Officer, to the State P-Card Administrator requesting to join the State P-Card Program. The request must contain the names and contact information of the appointed State Entity P-Card Administrator and Back-Up P-Card Administrator. The request should be emailed to the State P-Card Office at pcard@omes.ok.gov.

State Entities: Training and additional information will be received from the State P-Card Administration Office.

Political Subdivisions: Training and additional information will be received from the assigned Implementation Contact at Bank of America.

The State P-Card Administrator shall provide written notice to the State Comptroller (with a copy to the OMES Transaction Processing Department) in advance of any State Entity beginning use of P-Cards.

3.2 P-Card Program Maintenance

Any changes to the State Entity P-Card Administrator or Back-Up P-Card Administrator shall be submitted to the State P-Card Administrator in writing, on OMES-Form-CP-034 located at https://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/P-Card_Forms/ and signed by the State Entity's Chief Administrative Officer. The completed form should be emailed to the State P-Card Office at pcard@omes.ok.gov. The State P-Card Administrator will forward the changes to the Issuing Bank.

4 FINANCIAL OPERATIONS

4.1 Encumbering Funds

State Entities shall establish encumbrances as "authority order" purchase orders in the State Purchasing System. Entities are required to create an authority order prior to making any P-Card transactions. Change orders to amend the encumbrance(s) may be processed, as necessary.

Please remember to follow the prior encumbrance requirement (sufficient balance implied) to be in compliance with the encumbrance law (62 O.S. § 34.62. - Encumbrance requirements for payment of state funds). The administrative head of a State Entity shall be personally liable for obligations incurred in excess of the authorization [funds encumbered]. Accordingly, the Director of the Office of Management and Enterprise Services shall never authorize payment of claims [vouchers under Core] for purchases not supported by an encumbrance and any invoice or claim dated prior to the date of the encumbrance shall be rejected. (For more information regarding this statute, please contact the Office of Management and Enterprise Services at 405-521-4679.)

See Appendix A for appropriate supplier information. Appendix A is subject to change, make sure you have the most current information when assigning supplier ID information in PeopleSoft.

4.2 Account Codes

As with any purchase, State Entities shall establish internal procedures to ensure each payment voucher uses valid account (object of expenditure) codes. A generic account code shall not be used with any accounts payable voucher.

Account codes are populated based on the MCC codes for each merchant. However, these codes may not be appropriate in some circumstances and the correct account codes should be assigned on-line by the purchaser or other State Entity personnel. On-line review and correction of account codes should be done using the bank's website at least weekly or possibly daily to permit quick processing during the short payment window at the end of the billing cycle.

Funding Lines- Each P-Card may be coded with default funding line information. On-line review and correction of funding lines should be done using the bank's website at least weekly or possibly daily to permit quick processing during the short payment window at the end of the billing cycle. The only Agency Special Accounts from which P-Card payments are allowed are 700 funds.

4.3 P-Card Payment

Each State Entity shall make **one**, single monthly payment to the P-Card issuer to satisfy all transactions listed for the billing cycle (regardless of dispute status), in the time and manner agreed to by the State and the Issuing Bank regardless of the number of purchase orders utilized. The actual payee will be automatically populated on the voucher payment page with the Issuing Bank's supplier ID and location. See Appendix A for supplier information.

Late payment or non-payment of P-Card purchases will result in a State Entity's P-Cards being frozen by the State P-Card Administrator or canceled by Bank of America, and may include additional action to obtain the payment and/or any interest accrued.

The State of Oklahoma makes one payment to the Bank of America each month on behalf of our P-Card program. In order to avoid a \$250.00 fee assessed per state agency, an interest charge, and a reduction of the rebate earned, all agencies shall have their vouchers turned in by the

deadline schedule listed on the P-card website. The schedule is set up a year in advance and the dates do not change from what is listed. Agencies not complying with the voucher build deadline will first be notified of the missed deadline in writing. If the deadline is missed again, the agency will need to attend additional training through OMES at a cost of \$150.00 by the State P-Card Administrator, and on the third occasion we will suspend that agency's program for three months.

4.4 Payment Procedures

Entities will create the accounts payable voucher for the full amount of the invoice, plus any disputed transactions, from the Issuing Bank's transaction file using the State accounts payable system voucher-build program, and process it for payment. Also, each State Entity P-Card Administrator will be provided access to a separate statement by the Issuing Bank reflecting the amount due from said State Entity that should balance to the voucher.

- 4.4.1 **Processing Schedule-** The end of the P-Card cycle is the last business day of the month. The P-Card billing and closing cycles are posted on the OMES website. The Office of Management and Enterprise Services (OMES) must receive State Entity vouchers by the specified voucher due date. This is to allow OMES appropriate time to process the voucher and for the Electronic Funds Transfer (EFT) payment to reach the Servicing Bank by their due date. State Entities should check the P-Card Billing Cycle dates on the OMES website to ensure they have sufficient time and staff available to edit their transactions, prepare vouchers, and submit vouchers to OMES within the time frames indicated at http://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/Purchase_Card_Billing_Cycles/

Each State Entity will create the accounts payable voucher each month using the PeopleSoft batch voucher request process for "Procurement Card." Entities will review the process error reports online, correct any errors (missing or incorrect data), and rerun the process if necessary. A separate Core training manual is available for this process as well as a monthly training class provided by OMES.

- 4.4.2 **Payment-** State Entities shall assume full responsibility for reconciling and balancing all P-Card transactions prior to the payment.

Payments will not be processed for a State Entity with a cumulative credit balance. Nevertheless, the State Entity must build the voucher and attach the invoice. Retain the voucher, the invoice, and batch slip until there are debit vouchers sufficient to offset the credit. Once there are sufficient charges to recoup the credit, the batch slip listing the unpaid vouchers from the prior and the current billing cycles should accompany the vouchers with the required invoice documentation.

- 4.4.3 **Voucher Documentation-** The voucher for P-Card transactions shall have the transaction system invoice attached when submitted to OMES. However, if the agency is operating in accordance with the OMES Voucher Imaging Program, then only the Voucher Register Batch Slip Notice for the P-Card payment will be submitted. The voucher will be considered similar to those processed under the alternate claim procedure (62 O.S. §34.64) and are subject to post-audit for all State Entities participating in the P-Card Program. Therefore, detailed transaction documentation supporting P-Card transactions shall be retained by the State Entity and made available upon request.

4.5 Card Security

The P-Card holder shall ensure the card is kept in a secure manner and the P-Card account number on the card or the PIN (for chip & pin cards) is not posted or left in a conspicuous place. Although not required, it is recommended the P-Card holder not carry the P-Cards outside of normal duty hours unless required, and justified, by the State Entity.

It is recommended that merchant's do not retain card information on file to avoid unauthorized transactions and declined transactions on closed cards. A card number must be provided by the ordering cardholder each time an order is placed.

4.6 Records Retention

Purchase Card records shall be retained for seven (7) fiscal years by each state entity. The agency shall determine if records are retained in paper or electronic form. If an audit, litigation or other action is started before the end of the seven year period, the records are required to be retained for two (2) years after exhaustion of all legal remedies, provided records meet all stipulated retention requirements. Records retention information can be found at <http://www.odl.state.ok.us/oar/docs/grds-schedule.pdf>.

Records shall be made immediately available to OMES/Transaction Processing Unit or the OMES Audit Unit upon request.

At the end of each cycle, the State Entity shall generate the Transaction Detail Report 170 that includes sign offs from Works and retain either in paper or electronic form.

4.7 Revenue Sharing

The contract with the Issuing Bank requires revenue sharing with contract users. Revenue will be calculated for each State Entity by the Issuing Bank and is based on the contracted formula for the rebate. Payment by the Issuing Bank can be expected within the time frames established in Statewide Contract 200.

- 4.7.1 State Entities- The Issuing Bank will forward payment directly to the OMES State Purchasing Director for distribution to each State Entity participating in the P-Card Program for its share of the revenue sharing rebate.
- 4.7.2 Other Organizations- This group will include institutions of higher education and political subdivisions. The Issuing Bank will send a check directly to these organizations.

4.8 Advance (Pre-) Payments

P-Card purchases are subject to the Statewide Accounting Manual, Chapter 50.10.06, Section J, Advance (Pre-) Payments, which states in paragraph 5: To qualify for this procedures, the registration fee must, 1) result in a discount to the state, 2) allow for substitution of participant, and 3) provide for 100% refund should the event be canceled. Documentation on the sponsor's stationary describing these facts should accompany the voucher submitted for payment. In addition, any payment so approved shall be timed as to arrive at the sponsoring vendor not earlier than the absolute due date deadline for the discounted registration.

Registration fees for conference, meetings, seminars, and similar events whereby pre-registration is required along with payment, and by standard policy will not accept a state purchase order/contract in lieu of payment following the event, must be documented on sponsor's stationary and sent to the State Purchase Card Administrator for approval from Transaction Processing prior to registration and P-Card payment.

5 PURCHASE CARD OPERATIONS

5.1 Issuing the P-Card

- 5.1.1 **P-Card holders-** The P-Card is typically issued to those employees authorized to purchase goods and services for official use by the State.
- 5.1.2 **Application for P-Card(s)** shall be made by the State Entity P-Card Administrator by electronic submission using the Issuing Bank's transaction system. The State Entity P-Card Administrator shall notate on the Purchase Card Employee Agreement the date the P-Card was ordered. The Issuing Bank will ship new cards to the State P-Card Administrator for redistribution to the respective State Entity P-Card Administrator.

- 5.1.3 **Purchase Card Employee Agreement-** All State Entity P-Card Program Participants must read and sign the State of Oklahoma Purchase Card Employee Agreement form in the appropriate signature block, prior to assuming their duties and being issued a P-Card.
- 5.1.4 **Property of the State-** All P-Cards issued under this P-Card Program are the property of the State of Oklahoma, and shall be surrendered to the State Entity P-Card Administrator upon termination of employment with the State Entity whose name is on the P-Card, or upon request of the P-Card holder's supervisor, State Entity Approving Official, State Entity P-Card Administrator or designated back-up, or State Purchasing Director. State Entity P-Card Administrators, who are also P-Card holders, shall surrender their card to the State P-Card Administrator upon termination of employment with the State Entity whose name is on the P-Card or upon request of the State Purchasing Director.
- 5.1.5 **P-Card controls and limits-** State Entities are required to establish the following categories of controls and limits on each P-Card. These mandatory limits are required by the Issuing Bank and the card provider, Visa. The mandatory categories are:
- 5.1.5.1 Card limit (dollar amount per cycle)
 - 5.1.5.2 Single purchase limit (dollar amount per transaction)
 - 5.1.5.3 Merchant Category Code Group (MCCG).
- As an option, State Entities may establish additional P-Card limits; however, use of these additional limits is discouraged as the limits listed above are deemed sufficient for most needs.
- 5.1.6 The State Entity P-Card Administrator shall set the card limits for P-Cards based on State Entity needs or past usage. The State Entity P-Card Administrator may set the single purchase limit for a P-Cardholder at an amount less than \$5,000.00, if desired; or, an amount greater than \$5,000.00 for those making SWC purchases and paying for utilities; however, State Entities should not set single purchase limits inappropriately high. P-Card limits should be reviewed no less than annually to determine if set limits are still appropriate.

5.2 Using the P-Card

- 5.2.1 Prior to using the P-Card, P-Card holders should familiarize themselves with the following key elements related to using the P-Card:
- 5.2.2 Your P-Card is issued in your name. All purchases made on the P-Card must be only *yours*. You are responsible for the security of the P-Card and the transactions made with it. Failure to follow statutes, rules and procedures when using the P-Card, may result in adverse action up to and including discharge, civil and/or criminal legal action.
- 5.2.3 You can use the P-Card at any merchant or service provider that accepts VISA. Merchants may require a minimum purchase amount of \$10.00 (does not apply to purchases from Statewide Contract; however, Statewide Contract may contain a minimum order amount).
- 5.2.4 You may use the P-Card to purchase supplies and services within your Single Transaction Limit and Credit Limit assigned to the P-Card in a given month (excludes Prohibited Purchases).
- 5.2.5 You are responsible for reconciling all charges made on your account monthly.
- 5.2.6 **The P-Card cannot be used to avoid or bypass appropriate purchasing or payment procedures.**
- 5.2.7 The P-Card is not used for purchasing goods and services considered for personal use.
- 5.2.8 The P-Card cannot be used for items listed in section 5.3 Prohibited Purchases.

- 5.2.9 Prices paid must be fair and reasonable.
- 5.2.10 **Methods of purchase-** The P-Card may be used for walk-in, telephone, and internet purchases. It is recommended internet purchases be made from a merchant with a secured internet site (for example, lockbox is present or URL contains https) and emails not be sent disclosing full account information. (Note: The issuing bank does not send e-mail requiring a P-Card holder to enter personal information directly into the e-mail.)
- 5.2.11 **Acquisition dollar limit exceptions:** The State purchasing Director authorizes the use of a state purchase card for acquisitions of no limit on the following acquisitions, unless other restrictions are placed on transactions, either temporary or permanent:
- a. Purchases from statewide contracts issued by the State Purchasing Director, and
 - b. Utilities*
 - c. Interagency payments, and
 - d. Professional services as defined in Section 803 of Title 18 of the Oklahoma Statutes
- *Each invoice must be paid in its entirety with one single transaction. Suppliers placing restrictions on payments that cause multiple transactions to pay a single invoice cannot be paid by P-Card. Annual cumulative convenience fee totals should not exceed the estimated cost of paying the supplier by purchase order.
- 5.2.12 **Exceptions-** One hundred percent (100%) of transactions of cardholders who that have been granted exceptions for an extended period as required by their position, will be audited by the State Entity P-Card Administrator and the OMES Audit Unit.

5.3 Prohibited Purchases:

- 5.3.1 Entertainment
- 5.3.2 Split Purchases
- 5.3.3 Diem food and beverages as authorized by the State Travel Reimbursement Act, Oklahoma State Travel Policy, and any other statute pertaining thereto;
- 5.3.4 Cash, cash advances, automatic teller machine (ATM) transactions
- 5.3.5 Goods or services for personal use
- 5.3.6 Items not for official state business
- 5.3.7 Any transaction or series of transactions, which exceed the limits established on an individual P-Card
- 5.3.8 Motor fuel for personal vehicles or state owned equipment and vehicles
- 5.3.9 Automotive general maintenance, ancillary items, and emergency repairs pursuant to Statewide Contract # 101 (SW101) for Automated Fleet Fuel Management System. (Maintenance, repairs, or parts for equipment is not prohibited.)
- 5.3.10 Automatic Drafts
- 5.3.11 Gifts or gift certificates; this does not apply to gift certificate purchases made for employee performance recognition pursuant to 74 O.S. § 4121. Gift certificates are a taxable, reportable item for the recipient.

5.4 Conference and training fees

The P-Card may be used for expenses required to host a conference, as well as for conference registration and training course fees. Goods and services prohibited by 6.3 are not considered conference and training fees.

5.4.1 **Conference Host-** The P-Card may be used to contract for conference equipment (such as audio or video equipment), conference/training rooms, conference/training set-up services, or conference/training materials.

5.4.2 **Conference Attendance-** The P-Card may be used to register for conference attendance and for payment of training course fees.

5.5 Merchant preferences

P-Card purchases shall comply with the following preferences for certain merchants or types of contracts:

5.5.1 **State Use Committee-** State Entities shall make P-Card purchases from merchants on the State Use Committee procurement schedule. State Use Committee statewide contracts are mandatory for use. State entities shall reference the State Use Committee procurement schedule to ensure P-Card purchases are pursuant to 74 O.S. § 3007.

5.5.2 **Oklahoma Corrections Industries (OCI) -** State Entities shall make purchases from OCI pursuant to 57 O.S. § 549.1. The P-Cardholder shall retain any quotes obtained in support of this transaction with the monthly transaction documentation.

5.5.3 **Mandatory statewide contracts-** State Entities shall make purchases from mandatory statewide contracts **regardless of the purchase price** unless the State Purchasing Director has issued a waiver to the State Entity.

5.5.4 **Additional information-** Additional information on the above preferences may be obtained from a State Entity Certified Procurement Officer and are found in the OMES Purchasing Division codified rules (260:115-7-3)
https://www.ok.gov/dcs/searchdocs/app/manage_documents.php?id=946.

5.6 Information Technology

IT purchases shall be made in accordance with the IS Procurement Policies and the IT and Telecom ePro Requisition Procedures located at <http://www.ok.gov/cio/Procurement/index.html>. All hardware/software acquisitions must be on the Approved Hardware/Software list located on the above website.

IT acquisitions shall comply with the applicable Oklahoma Information Technology Accessibility Standards issued by OMES, also available on the above website.

Also, please refer to the OMES Administrative Rules, OAC 260:115-7-54 for rules and procedures regarding information technology acquisitions and exceptions
https://www.ok.gov/dcs/searchdocs/app/manage_documents.php?id=946.

5.7 Assets

State Entities shall establish procedures to ensure items acquired using the P-Card are added to the State Entity's inventory schedule, based on asset threshold. IT assets of \$500 or more and non-IT assets of \$2,500 or more are required to be reported to the agency asset manager and identified in Works.

5.8 Receipts for Purchase

Receipts shall be obtained for all purchases regardless of the order method. The receipt shall give an itemized and detailed description of the purchase and must include at a minimum: (1) Merchant name; (2) date of purchase; (3) description; (4) unit price and quantity; and (5) transaction total. A detailed and itemized carbon copy is acceptable. A copy of the rental car contract must accompany any fuel receipt for which payment was made by P-Card. **NOTE: Receipts cannot be manually modified in any way by either merchant or agency.**

- 5.8.1 **Lodging-** The folio received by the traveler at checkout is considered the P-Card receipt and must be signed by the traveler.
- 5.8.2 **Receipts not furnished by Merchant-** If a receipt is not furnished by the merchant (as may be the case with a phone or Internet order), documentation such as an order confirmation, packing slip, or invoice, etc. shall be obtained and shall contain an itemized and detailed description of the purchase;
- 5.8.3 **Itemized Receipt Unobtainable-** If the receipt is not a detailed and itemized receipt, the P-Card holder shall:
- Request the merchant attach a written itemization of the charges to the receipt showing at a minimum: (1) merchant name; (2) transaction or purchase date; (3) description of each item purchased, including unit price and quantity; and (4) transaction total. The written itemization shall be signed by the merchant or its authorized designee.

Or, in the event all attempts to obtain an itemized receipt from the vendor have failed,

- Attach a written itemization of the charges to the receipt showing at a minimum: (1) merchant name; (2) transaction or purchase date; (3) description of each item purchased, including unit price and quantity; (4) transaction total and (5) statement explaining why all other methods of obtaining an itemized receipt were not available. The written itemization shall be signed by the P-Card holder's Approving Official or designated back-up.

Note: P-Card holder may contact the Issuing Bank's Customer Service at the phone number listed in Appendix A, to obtain a missing or lost receipt. There is a charge for this service. The State Entity may pass this charge to the P-Cardholder. The charge will appear on the next statement as a bank fee (there will not be a receipt for this fee).

5.9 Receiving Goods and Services

- 5.9.1 **Goods or services received at the time of purchase-** The receipt for purchase shall serve as the receiving document.
- For all transactions the receipt must contain the P-Card holder's signature or indicate the transaction was processed using the Chip card (the date is already printed on the receipt).
- 5.9.2 **Airfare-** The Invoice/Itinerary shall serve as the receiving document for airfare (traveler's signature is not required).
- 5.9.3 **Products shipped-** A packing slip or proof of delivery must be obtained (proof of delivery may be obtained from carrier's website).
- 5.9.4 **All remaining Transactions-** The cardholder and approving official signatures on the cardholder's statement indicates that these products and services were received and approved to be paid with the purchase card (signature on individual invoices is not required).

5.10 State Sales/Lodging Taxes

State Entity purchases are exempt from the State of Oklahoma sales tax. P-Card holders shall use care to ensure they are not being charged nor paying such tax. P-Card holder shall obtain a credit from the merchant for any sales tax charged. The sales tax identification number is provided on the face of each P-Card. A copy of the Oklahoma Tax Commission letter citing state sales tax exemption is located on the OMES website at http://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/P-Card_Tax_Exemptions/

State Entity purchases made out of state are not exempt from that state's sales tax; however, it is possible some states may not charge state sales tax on a transaction, depending on reciprocal statutes, tax laws, etc.

State Entities also have immunity from taxes imposed by municipalities. Therefore, State Entities shall not be paying taxes to Oklahoma municipalities, including sales tax, hotel occupancy tax, entertainment tax, etc. (See DCAR Newsletter Vol. 20, No. 6, dated March 11, 2010 for more information). Out-of-state lodging is normally not tax exempt. Tax letters are available at http://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/P-Card_Tax_Exemptions/.

5.11 Returns, Credits and Disputed Transactions

- 5.11.1 **Processing returns, and disputes-** In most cases, disputes can be resolved directly between the P-Cardholder and the merchant. If an item needs to be returned for any reason, return the goods to the merchant in the manner agreed upon. The merchant should issue a credit for items that are returned. This credit will appear on a subsequent statement. Documentation of the credit receipt should be issued by the merchant. Keep on file all documentation related to returns, credits, and disputes for reconciliation to the statement.
- 5.11.2 **Credits-** If the agency is credited for any items or services that were originally paid for with the purchase card, then the credit **MUST** be processed through the merchant system. The merchant should not be allowed to maintain a store credit or use the credit toward other invoices. It is highly recommended that a credit be annotated in issuing bank's system with the TXN# of the original transaction.
- 5.11.3 **Issuing Bank assistance-** If the P-Cardholder and merchant cannot resolve the issue, contact the Issuing Bank electronically through the Bank's transaction system. Disputed transactions which cannot be quickly resolved between the P-Cardholder and merchant shall be reported to the issuing bank immediately and, at the latest, **no more than 30 days** after the original transaction date. The issuing bank will investigate the dispute on the P-Cardholder's behalf and assist in resolution.
- 5.11.4 State Entities pay for disputed transactions filed with the Issuing Bank while in dispute status. Once the transaction has been resolved, a credit will appear if the State Entity wins the dispute.

5.12 Travel Acquisitions

The P-Card may be used for the purchase of airfare and/or lodging. Travel acquisitions are intended for travel or lodging expenses for active state employees or officials of the state; however, the State Travel Reimbursement Act (STRA) allows for reimbursement of travel expenses by persons other than state employees when they are performing substantial and necessary services to the state and have been directed or approved by the appropriate department official. Use of the P-Card may be appropriate when in compliance with the STRA. The P-Card cannot be used for payment of travel expenses for contractors or the agents of such contractor firms doing work or providing services under terms of a contract or agreement with the state.

Airfare may be purchased at a fair and reasonable price up to \$5,000.00 per employee per transaction. Lodging may be purchased up to \$5,000.00 per employee per transaction pursuant to the State Travel Reimbursement Act, OMES State Travel Policy, and these P-Card Procedures. The STRA does allow the OMES Director to approve an in-state lodging stay up to 150% of the current

standard GSA rate if it is determined that no lodging is available at the current GSA rate. Request for exception must be submitted and approved by the State Travel Manager or Administrator before making reservations using Form OMES-FORMS-CP-035 located at https://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/P-Card_Forms/. Travel acquisitions may be made by the P-Card holder or by the traveler who seeks reimbursement according to the STRA. If utilizing the online booking tool for airfare purchases, the Travel Coordinator may enter their P-Card number into the traveler's profile to enable the traveler to put a ticket on HOLD for completion by the Travel Coordinator; OR for the traveler to purchase the ticket without holding it. The Travel Coordinator's email address and card number must be in the traveler's profile prior to the beginning of the booking process so that the required trip documentation is received by the Travel Coordinator and the P-Card is charged for the ticket. If the traveler is not a frequent traveler, the card number should be removed after the completion of the purchase (once the airfare purchase appears on the authorization log in Works). **NOTE: The card number that is in the profile at the beginning of the booking process is the card that will be charged for the ticket. Card number cannot be switched during the booking process.**

- **Airfare** – The P-Card holder (Entity Travel Coordinator or traveler) shall pay a fair and reasonable price for coach airline tickets. The tickets can be purchased online or by phone through the contracted travel agent. The P-Card holder shall retain all transaction documentation for reconciliation at the end of the cycle. **Please note:** If the transaction for airfare exceeds \$5,000.00 per employee, the P-Card shall NOT be used.
- **Lodging** – Lodging purchases for state employees or authorized non-state personnel traveling on official business shall be made in compliance with the State Travel Reimbursement Act, Oklahoma State Travel Policy, and these P-Card Procedures. The P-Card holder shall retain all transaction documentation for reconciliation at the end of the cycle.

If a transaction for the purchase of lodging would exceed \$5,000.00, the P-Card shall NOT be used. In this case, lodging may be paid by the traveler and reimbursement sought pursuant to the STRA. Lodging may also be direct-billed to the agency for payment by PO.

If purchasing a block of rooms exceeds \$5,000.00, the P-Card shall not be used. Failure to follow the airfare and lodging guidelines could result in suspension of lodging purchases with the P-Card.

5.12.1 Lodging reservations made through State Entity Travel Coordinator:

- The State Entity Travel Coordinator shall be issued a P-Card in the Travel Coordinator's name to make lodging reservations on behalf of the agency. The P-Card holder (State Entity Travel Coordinator) shall verify lodging establishment and price is in compliance with the State Travel Reimbursement Act and OMES State Travel Procedures (i.e., designated hotel, GSA established per diem rates, etc.).
- The Travel Coordinator shall supply the lodging establishment, directly upon making reservations, with a letter on the State Entity letterhead, verifying P-Card account information and identifying the traveler's name. This form letter shall be provided by OMES to the State Entity Travel Coordinator and is Form 032 located on the OMES website at https://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/P-Card_Forms/. Unauthorized modifications to this letter could result in disciplinary action or suspension of the State Entity's P-Card lodging acquisition privileges.
- When required by the lodging establishment, the traveler's lodging stay may be posted to the P-Card in advance, provided there is a full refund cancellation policy in place. The lodging establishment's cancellation policy shall be retained by the State Entity P-Card holder (State Entity Travel Coordinator) for reconciliation at the end of the cycle.

- The lodging establishment must provide a final detailed receipt to the traveler once lodging services have been provided. It is the traveler's responsibility to obtain the receipt. Traveler shall forward the receipt to the State Entity P-Card holder (State Entity Travel Coordinator) for reconciliation at the end of the cycle.
- The State Entity P-Cardholder (State Entity Travel Coordinator) shall communicate with the traveler and lodging establishment to ensure all services are performed and all transaction documentation is obtained for reconciliation.

5.12.2 Lodging Reservation made by Traveler:

- Traveler shall be issued a P-Card in the Traveler's name upon training received by OMES, the State Entity P-Card Administrator, or designated instructor. The State Entity P-Card Administrator shall document on the P-Card Employee Agreement, the date and time training was provided. [See Section 2.8]
- The P-Card holder (Traveler) shall verify the charge to be free of Oklahoma lodging tax, Municipality tax, City tax, Occupancy tax, Tourism tax.
- The State of Oklahoma is not exempt from Tribal Tax.
- The P-Card holder (Traveler) shall make the reservation with the lodging establishment pursuant to the State Travel Reimbursement Act and OMES State Travel Procedures.
- When required by the lodging establishment, the traveler's lodging stay may be posted to the P-Card in advance, provided there is a full refund cancellation policy in place. The lodging establishment's cancellation policy shall be retained by the P-Card holder (Traveler) for reconciliation at the end of the cycle.
- The lodging establishment must provide a final detailed receipt to the traveler once lodging services have been provided. It is the traveler's responsibility to obtain the receipt. Traveler shall retain the receipt for reconciliation at the end of the cycle.
- The P-Card holder (Traveler) shall communicate with the lodging establishment to ensure all services are performed and all transaction documentation is obtained for reconciliation.
- The P-Card holder (Traveler) is responsible for reconciliation of the statement at the closing of the Bank's monthly billing cycle.
- State Entity P-Card Administrator can set card limits to \$0.00 and suspend P-Card when Traveler is not in travel status.

5.12.3 **Meals**— including room service, phone charges (not business related), internet charges (not business related) are NOT allowed on the p-card. State employees and authorized non-state personnel traveling on official business are responsible for paying out-of-pocket for all other travel-related expenses. In the case of inadvertent personal charges, the Traveler shall reimburse the State for any and all personal expenses charged to the P-Card (i.e., phone calls, room service, movies, etc.). Such repayment can be made by actual check or cash submitted to the State Entity. State Entities must use the Comments field on the Invoice Information page to give a brief description of the negative adjustment (e.g., erroneous room service charge on a P-Card payment) and put the voucher number of the P-Card voucher having the overpayment. Also, the State Entity must use the Comments field on the original P-Card voucher to give a description of the error and to put the voucher number of the travel voucher having the adjustment. Non-repayment of personal expenses to the State by the Traveler shall result in the Traveler's loss of P-Card lodging acquisition privileges and other disciplinary or criminal actions.

5.13 P-Card transaction editing:

The following information shall be listed in the Bank's transaction system. Some of the information is automatically populated due to suppliers registering as a Level 3 merchant;

however, the airlines and lodging establishments have 30 days to provide the Level 3 information. Therefore, the P-Card holder is responsible for ensuring the following information is included and may have to enter all of it in the Description field under "Allocate/Edit":

- **Standard purchases:**
Internal agency procedures will determine if a description is required. Statewide contract number, if applicable, shall be selected utilizing the provided drop down menu. Transactions of \$5000.00 or greater must have a description in either the description field or the comment section.
- **Airline purchases:**
Traveler's name and/or employee ID number, itinerary/confirmation number, date of travel, and purpose of travel; for travelers that are authorized non-state personnel, include the traveler's name; the justification for the travel, to and from destination; and, dates of travel.
- **Lodging purchases:**
Traveler's name, employee ID number, number of nights, City/State, purpose of travel, confirmation number and room rate stating (1) designated hotel; or, (2) standard GSA lodging rate; or, (3) federal high GSA lodging rate.
- **Taxi, Parking, Bus, Train & Shuttle purchases:**
Traveler's name, employee ID number, date of travel, and purpose of travel;
This task should be performed on a weekly or daily basis to ensure adequate time for the reconciliation and payment process at the end of the cycle. Shuttle and bus service can be arranged and paid for in advance for the traveler.

5.14 Responsibilities of P-Card holder, State Entity Approving Official, and Entity P-Card Administrator

NOTE: A Transaction Log is no longer required by OMES; however, the State Entity may require the use of transaction logs as an internal procedure.

5.14.1 P-Card holder responsibilities

- The P-Card holder shall confirm posted transactions are accurate and sign off as instructed by their agency policy and procedures. Any required editing should be performed at least weekly or upon receipt of notice from the Bank's transaction system.
- The cycle documentation shall be compiled and maintained as directed by entity internal P-Card procedures and/or policies.
- If not electing the cardholder and approver sign off option in Works, per section 1.7.11, individual cardholder statements will need to be run. The statement shall be signed and dated by the P-Card holder verifying responsibility for purchases and proper reconciliation (signature stamps are not acceptable, but e-signatures are accepted). Once signed and dated, the statement and transaction documentation must be submitted to the P-Card holder's designated State Entity Approving Official or designated State Entity Back-Up Approving Official. All P-Card holders (including State Entity P-Card Administrators and State Entity Approving Officials for other P-Card holders) must have their completed cardholder statement approved by an approving official who is at least one level above their position and current on their P-Card training. Statements will then be forwarded to the agency P-Card Administrator for retention per instructions in section 5.14.3.
- Executive Directors who are cardholders must follow section 2.11 for their statements.

5.14.2 **State Entity Approving Official(s) responsibilities**

All persons and officials reviewing and approving transactions utilizing the State purchase card shall assume the same responsibility and accountability as the purchase card holder.

- State Entity Approving Official(s) shall review the P-Card holder's reconciled statement and transaction documentation for accuracy, completeness, appropriateness of the purchase and whether the transactions were conducted according to State statutes, rules, these Procedures, and sound business practice. (See section 1.7.11 if utilizing the approval process in Works)
- Any issue that cannot be resolved between the State Entity Approving Official and the P-Card holder shall be brought to the attention of the State Entity P-Card Administrator for resolution. The State Entity P-Card Administrator should seek any additional assistance required from the State P-Card Office.
- If not using the cardholder and approver sign off options in Works, the State Entity Approving Official shall sign and date the cardholder statement (Signature stamps are not acceptable, e- signature is acceptable) to indicate concurrence with the reconciled transactions. Completed statements shall be forwarded to the State Entity P-Card Administrator for retention.

5.14.3 **State Entity P-Card Administrator**

The designated State Entity P-Card Administrator is the main P-Card contact for the entity. All entity P-Card holders and Approvers should contact the Entity P-Card Administrator for assistance.

The designated Entity P-Card Administrator and back-up P-Card Administrator shall be responsible for the following duties, which includes, but is not limited to:

- Establishing written entity P-Card policies and procedures
- Conducting agency-specific P-Card training
- Tracking refresher training attendance on page 2 of the Employee Agreement or on a spreadsheet
- Communicating frequently with agency program participants regarding information received from the State P-Card Office
- Processing authorized requests for P-Cards, maintaining controls over active cards (i.e., setting and changing card spend profiles, ordering cards, deactivating cards, adding and deleting users, and setting permissions)
- Periodically reviewing list of P-Card holders and summary reports to identify unauthorized use and determine if each cardholder has a continuing need for a card
- Processing and retaining P-Card Program reports and State P-Card Employee Agreements, including P-Card holder statements, invoices, level 3 reports, transaction summary reports, etc. (in paper or electronic form)
- Exercising control over the P-Card Program by auditing a random selection of P-Card holder's monthly statements and transaction documentation for accuracy, required signatures of both cardholder and Approving Official, and determining corrective action for missing documentation or signatures

- Communicating with entity cardholders information disseminated by the State P-Card Office
- Submitting exception requests
- Making sure that all change orders have been processed and AOs dispatched by the deadline posted on the website and that employees listed as accountants and CPOs are available during the download days for any needed corrections
- Communicating with the bank on identified fraudulent transactions
- Scheduling program participants for initial P-Card training and tracking current entity participant's training to ensure training requirements are met
- Tracking card information on page 2 of the Employee Agreement
- Notifying State P-Card Office when replacing cards due to name change – provide both previous and new last name
- Documenting the receipt and destruction of cards no longer needed or returned by terminating employees
- Notify the State P-Card Office on OMES Form-CP-034 of any change in Entity Administrator or Back-up Administrator (State Entity P-Card Administrators, who are also P-Card holders, are required to forward their card to the State P-Card Administrator for final disposal)
- Periodically reviewing Entity membership reports and verifying terminated employees have been removed
- Retaining statements and supporting documentation in paper or electronic format to comply with section 2-101 of the General Records Disposition Schedule (GRDS) located at www.odl.state.ok.us/oar/recordsmgmt/grds-agency.htm.

6 Card Replacement

6.1 Lost or Stolen Cards

If a P-Card holder's P-Card is lost or stolen the P-Card holder shall immediately notify the Issuing Bank at the phone number posted on the OMES website and in Appendix A of these Procedures. This number is available 24 hours per day. P-Card holders should keep this phone number in a readily available place but separate from the card location. When you call, you will be asked by a customer service representative for the P-Card holder name and/or the last six digits of the card number. Upon notification, a customer service representative will block the use of the card. The P-Card holder shall record the date and time the issuing bank was notified as well as the name of the customer service representative contacted. The State Entity P-Card Administrator may also mark the card lost or stolen in the Issuing Bank's transaction system. The P-Card holder may also complete a Lost, Stolen or Compromised P-Card Notification form and provide it by the fastest possible means to the State Entity P-Card Administrator with a copy to the appropriate State Entity Approving Official. The "State Purchase Card Lost or Stolen Card Notification" form (OMES/Purchasing – Form 031) is located on the OMES website at https://www.ok.gov/DCS/Central_Purchasing/P-Card_Information/P-Card_Forms/.

6.2 Compromised Cards

Fraudulent transactions may be identified by either Bank of America Fraud Unit or by the State Entity. Once these transactions are identified, the card should be immediately closed and reissued by the bank. These cards should be returned to the State Entity P-Card

Administrator for destruction and notation on the Employee Agreement.

The State Entity is responsible for purchases on lost, stolen or compromised P-Cards until the Issuing Bank has been notified.

6.3 **Renewal Cards**

Prior to a P-Card's expiration date, the issuing bank will prepare a replacement card and send it to the State P-Card Administrator. The Entity P-Card Administrator, or designated representative shall pick up the P-Card and deliver it to the cardholder. Representatives must be designated in writing and an email from the Entity P-Card Administrator is acceptable. Cardholders who have not activated or used their existing cards will not automatically receive a renewal card.

7 **P-Card Reports**

P-Card reports are accessed through the Reports tab on the bank ledger program website. Agency reports should be printed or downloaded and saved electronically (or hard copy) by the Entity P-Card Administrator on a monthly basis. These reports should include the RPT 170, RPT 136, and any other reports determined to be appropriate by each entity. Additional reports can be created and saved by each entity. Reports created by the State P-Card Office can be shared with all entities. If using the RPT 170 in lieu of Individual Cardholder Statements, the Entity P-Card Administrator must run the RPT 170 End of Cycle Transaction Detail Report.

8 **Scanning in the Bank's online website**

The bank online software allows the cardholder to scan transaction documents and attach them electronically in the program. It is the cardholder's obligation to scan legible copies of the transaction documents, if utilizing this feature, and to ensure that all pages of the scan are attached. Attached documents are only informational for the Approver and Works accountant at this time.

9 **Emergency Purchases**

Emergency acquisitions, in accordance with Title 61 and Title 74, can be purchased on the State P-Card depending upon the type of acquisition. Purchase limits are determined by Title 61, Title 74, and the agency's internal purchasing procedures.

10 **Food**

Provided an agency has statutory authority to purchase food, the P-Card may be used for payment. Authorized food purchases shall be covered in the internal policies of each agency. This does not apply to meals while in travel status. Meals must be paid by the traveler and reimbursed through the travel claim.

APPENDIX A
VENDOR INFORMATION
(Contract effective 05-07-2010)

SW CONTRACT 200

Awarded to: Bank of America, Vendor 0000078298, LOC 002

ADDRESS

Bank of America
101 S. Tryon Street Charlotte, NC 28255

CUSTOMER SERVICE:

Bank of America (888) 449-2273
If outside the U.S. (509) 353-6656

Contact for State Entity P-Card Administrators ONLY:

Jimmy Newman, Treasury Services Sr. Advisor
Email: dedicated_card_west@bankofamerica.com

Payment Center Password reset:

Contact State P-Card Office at (405) 522-1654
Tech Support (888) 589-3473, Option 4

Technical Help Desk (800) 822-5985, option 3

LOST, STOLEN OR COMPROMISED P-CARDS

Bank of America (888) 449-2273

AUTHORITY ORDER P-CARDS

<u>Type</u>	<u>PeopleSoft Supplier ID</u>	<u>PeopleSoft Supplier Location</u>
A/O or ITA/O	0000001101	0002
<u>Account Number</u>	<u>Item Number</u>	<u>Origin</u>
601100	1000010910	EXC

No. 11 on AO header must be set to "NO MATCH"
"NO MATCH" must also be selected on the schedule tab.

WORKS REPORTS:

Invoice
Bank Statement
RPT 170
RPT 136

Works Accounting Information and Receipt Images are available through the issuing bank's website for 2 years. Up to 7 years of data can be requested from the issuing bank. This option should not be relied upon for data retention requirements. Reports should be downloaded monthly. See section 7.

WORKS WEBSITE:

<https://payment2.works.com/works/>

STATE P-CARD ADMINISTRATOR & STATE TRAVEL MANAGER CONTACT INFORMATION

Central State P-Card Office mailbox: pcard@omes.ok.gov

PURCHASE CARD & STATE TRAVEL ADMINISTRATOR

Linda Powell, CPO
Office of Management and Enterprise Services
Central Purchasing
5005 N. Lincoln Blvd, Suite 200
Oklahoma City, OK 73105
Phone: (405) 522-1654
Fax: (405) 522-4865
Email: linda.powell@omes.ok.gov

BACK-UP ADMINISTRATOR:

Vickie Rivas, CPO
Office of Management and Enterprise Services
Central Purchasing
5005 N. Lincoln Blvd, Suite 200
Oklahoma City, OK 73105
Phone: (405) 522-4970
Fax: (405) 522-1077
Email: vickie.rivas@omes.ok.gov

STATE TRAVEL MANAGER

Richard Williams
Office of Management and Enterprise Services
Central Purchasing
5005 N. Lincoln Blvd, Suite 200
Oklahoma City, OK 73105
Phone: (405) 522-4812
Fax: (405) 522-4865
Email: richard.williams@omes.ok.gov

CENTRAL TRAVEL MAILBOX

agency.travel@omes.ok.gov