



OKLAHOMA
Office of Management
& Enterprise Services

State of Oklahoma Policy and Procedures for Purchase Card

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**Office of Management and
Enterprise Services**

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DEFINITIONS

Acceptable electronic signature technology (e-signature) – Technology that is capable of creating a signature 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.

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.

Agency approving officer – The elected or appointed executives of any state agency or their designated administrative employees with the authority to approve individual claims of the agency for payment of money from any state treasury fund.

Agency P-card administrator – The state agency staff member designated to manage the P-card program for the agency.

Agency-direct payment – A payment made by P-card or purchase order directly by a state agency for state travel without the traveler personally incurring an out-of-pocket expense and seeking reimbursement.

Cardholder statement – A statement available in the bank's reconciliation system listing transactions for an individual cardholder.

Chip and pin card – Cards with a chip embedded in the card for communication with the new EMV machines.

Contractor – A non-state employee who is paid for goods or services provided to the state through an agreement or contract.

Cycle – The period of time between bank statement 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, pose imminent significant danger to property or certified by the governor as a serious environmental situation. [74 O.S 85.41A]

EMV – Euro-pay MasterCard Visa. Synonymous with chip or chip and pin card. Also, the term used to refer to the chip reader machine.

Folio – Means a document issued by a lodging facility detailing lodging charges.

Invoice – A document issued by a supplier to an organization to request payment for goods and services purchased using the P-card.

Issuing bank – The bank that issues P-cards to an organization. Synonymous with servicing bank, card issuer or current statewide contract 200 contract holder.

Itinerary – A document in which the places you will be traveling are listed.

Level 3 supplier – Refers to certain suppliers who include detail of transactions in the Works system.

Lodging facility – Hotel, motel, hostel, etc. that provides resting accommodations for travelers.

Lodging rate – The amount a lodging facility charges for nightly accommodations. Allowable lodging rates for each state are listed on the Government Services Administration (GSA) website at

<https://www.gsa.gov/travel-resources>. Lodging rate may also mean the designated rate negotiated for an event or approved in-state lodging rate.

Low-dollar acquisition – An open market acquisition that is fair and reasonable and does not exceed \$5,000, or the fair market limit up to \$25,000 approved for an agency by the state purchasing director (excluding IT acquisitions).

Merchant – A business or other organization that may provide goods or services to a customer. Synonymous with supplier.

Merchant category code (MCC) – 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) – A defined group of merchant category codes. MCCGs are used to control whether or not P-card holders can make purchases from particular types of merchants.

Mobile Wallet – Virtual wallet that stores payment card information on a mobile device by using an encrypted digital token to authenticate a cardholder's identity and account information.

Online booking tool (OBT) – An application that assists travel management companies and travel agents to cater economically and quickly to large numbers of travelers. Synonymous with online booking engine (OBE).

P-card bank database/ledger program – The issuing bank's P-card reconciliation program provided to state agencies for reconciliation of P-card transactions.

P-card or state purchase card – A type of commercial card that allows organizations to take advantage of the existing credit card infrastructure to make business-to-business (B2B) electronic payments for a variety of business expenses (goods and services).

Payment confirmation – A transaction document that can be part of a receipt or folio, which shows a payment was made.

PIN – A four-digit code provided by the issuing bank for use with a chip and pin card. Synonymous with personal identification number.

Point of sale code (POS) – A code entered by the merchant at the time of an on-site sale.

Purchase card or P-card program participant – An individual designated by a state agency to perform a P-card program responsibility, as authorized and defined in these procedures, who has a signed State Purchase Card Employee Agreement filed with the agency P-card administrator including, but not limited to, agency P-card administrators and backups, approving officials and backups, and P-card holders. It does not include an individual who may be assigned to create the P-card voucher for payment or is designated as an accountant in Works when this is their only role in the P-card program.

Receipt – A document detailing a purchase, or goods or services ordered and paid for. This document can be a confirmation number or order number.

Reimbursement – Compensation by the State of Oklahoma for authorized out-of-pocket expenses incurred by the traveler while conducting state business.

Single purchase limit – The maximum dollar amount a P-card holder is authorized to charge in a single transaction. For travel purposes, lodging and transportation are considered separate transactions.

Signature – A handwritten signature or an e-signature. E-signatures are considered original electronic signatures and acceptable by OMES.

Split purchase – Dividing a known quantity or failing to consolidate a known quantity of an acquisition for the purpose of evading a competitive bidding requirement. Purchases shall not be split with the intent of and for the purpose of evading: 1) the P-card single purchase limit of either \$5,000, or the single transaction limit up to \$25,000 approved for the agency by the state purchasing director (the limit does not apply on statewide contract purchases, interagency purchases, properly declared emergency purchases, professional services per Title 18, Section 803 or payment of utility transactions); 2) spend control profile assigned by an agency for an individual P-card; or 3) any competitive bidding requirement.

State agency – A unit of state government including, but not limited to, any agency, office, officer, bureau, board, council, court and associated organizations, commission, institution, unit, division, or other unit of state government, whether elected or appointed. It excludes only political subdivisions of the state.

State agency chief administrative officer – Typically the executive director but may be a designee of the director.

State agency travel approver – The designated person or persons within a state agency who has been granted the authority to approve travel requests by the state agency director. Synonymous with travel approver or approver.

State agency travel arranger – The designated person or persons within a state agency who has been assigned the duty of booking travel for agency employees for official state business.

State travel – Travel required in the process of conducting state business. Synonymous with official travel.

State P-card Office – The office within OMES that provides overall guidance and direction for the P-card program and responds to questions pertaining to the P-card.

State Travel Reimbursement Act (STRA) – The portion of Title 74 that governs the reimbursement of state travel expenses.

State purchase card or P-card – A type of commercial card that allows organizations to take advantage of the existing credit card infrastructure to make business-to-business electronic payments for a variety of business expenses (goods and services).

Statement – A document listing P-card account activity during a cycle made available to a state agency 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 to the bank.

Statewide Accounting Manual – The state's authoritative procedure manual for accounting and processing of transactions. The manual is available on the OMES website.

Statewide contract – A contract issued by OMES Central Purchasing 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.

Supplier – An individual or business entity that sells or desires to sell acquisitions to state agencies.

Transaction – A single purchase. A credit also constitutes a transaction.

Transaction documentation – 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 cardholder statement 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, exception requests (OMES Purchasing Form-030), all transaction correspondence, and any other item referencing the transaction.

Transaction system – The web-based tool provided by the issuing bank to record and access transaction information. Synonymous with Works.

TSYS – The card processing system utilized by the issuing bank. TSYS is the gateway to the credit card network. TSYS manages P-card program spend controls, statement generation, card issuance, authorizations and declines.

TXN – The unique document number assigned to each transaction in the issuing bank's online system. Using this number in notes to cross-reference a transaction to a credit is highly recommended.

Utilities – Electricity, water, gas and sewer.

Works – The current bank database/ledger program used for P-card transaction reconciliation.

1 STATE PURCHASE CARD PROGRAM

1.1 Program Overview

This document is intended to specifically address policy and procedures pertaining to the use of the state purchase card by designated individuals who are purchasing goods and services necessary for conducting official state business. This document also provides minimal guidance for travel transactions. For additional travel information, contact the travel group in OMES Transaction Processing at OMESptravel@omes.ok.gov.

All purchases shall be made in accordance with state statutes, rules and these procedures, which include but are not limited to:

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

The Purchasing Reference Guide, a quick access cross-referenced guide, can be accessed at <https://oklahoma.gov/omes/services/purchasing/reference-guide.html>.

The P-card can be used with any supplier that accepts Visa as a form of payment. It is intended that P-cards be issued to select state employees when the use of the P-card will enhance effectiveness or economy of operation of the state agency.

State agency cards are issued in the name of the state agency but also bear the name of the P-card holder and the P-card holder's unique account number. Cards for political subdivisions are issued according to their linking agreements. Liability for payment to the P-card issuer rests with the state or the political subdivision. Employees involved in the P-card program are subject to state ethics laws and directives. More information can be located at <https://www.ok.gov/ethics>.

1.2 P-card Program Benefits

Rebates as described in the financial operations section of this document are available to agencies and political subs who enroll in, and utilize, the P-card program. Some additional benefits may be reduced paperwork and transaction costs, ease of purchasing, prompt payment to supplier, a good audit trail, an expanded number of suppliers 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

Through the competitive bidding process, OMES Central Purchasing awards a contract for purchase card services. The contract is a **mandatory** statewide contract for state agencies that 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 promulgate their own purchase card procedures and execute a linking agreement to establish their own electronic method of payment and card issuing process with the awarded supplier.

1.4 P-card Program Authorization

The P-card program is authorized by the Oklahoma Central Purchasing Act (Title 74 O.S. § 85.5).

1.5 Conditions of Participation

As a condition of participation in the P-card program and use of the statewide contract, state agencies shall abide by the terms of these procedures. Each participating state agency shall document internal P-card procedures, either as part of its purchasing procedures or as a separate document and send them to OMES at omesprocurement.internalprocedures@omes.ok.gov for approval. When existing state agencies implement the P-card program, revised procedures must be sent to OMES at omesprocurement.internalprocedures@omes.ok.gov within six months of completing the implementation process. Agencies should review their internal purchasing procedures and P-card procedures annually and make any revisions necessary to comply with the latest version of this

document, as well as the Central Purchasing Act (Title 74 O.S. § 85.1 et. seq.), OMES Central Purchasing Administrative Rules, or any other applicable statutes or administrative rules. If any changes are made to the agency's internal P-card procedures, agencies must resubmit their internal purchasing procedures, including internal purchase card procedures, to OMES Central Purchasing.

Agencies shall have up to 120 days from the publication date of these procedures to update internal procedures and policies to comply with the changes in this document. During the time of transition, the agency is deemed to have accepted the state P-card procedures on all items not specifically addressed in more restrictive internal procedures or policies.

Program roles required to be filled within the agency for participation are the p-card administrator and at least one approving official. Termination of agency personnel in one of these roles will require the agency to immediately appoint another employee to fill the role. Emergency assistance by the State P-card Office can be provided for up to 60 days while the new employee receives the required training. For other options, contact the State P-card Office at pcard@omes.ok.gov.

Failure to comply with all conditions of participation may result in a state agency's removal from the P-card program.

1.6 Higher Education and Political Subdivisions

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

2 ORGANIZATION

2.1 Executive Advisory Group

The Executive Advisory Group provides overall guidance and directions for the P-card program. Membership is comprised of the state comptroller, the state chief information officer (or designee), the state purchasing director, the OMES audit manager and the State Purchase Card Administrator.

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 OMES staff member designated to assist the state purchasing director or designee with operations of the P-card program. The state P-card administrator has authority with the issuing bank to make changes, additions and deletions to accounts for P-card program participants.

2.4 State Agency P-card Administrators

The state agency individual designated by the state agency chief administrative officer to manage (on a day-to-day basis and in detail) the P-card program and transaction system for the state agency. This employee and any designated backups are the only employees authorized to designate or change P-card holders and card limits for that agency. Agency administrators are appointed by the agency's Chief Administrative Officer on OMES FORM CP 034 provided by OMES. The signed form must be emailed to pcard@omes.ok.gov and the State P-card Office will forward the form to the issuing bank.

Note: OMES CP forms cannot be modified by agencies.

2.5 State Agency Approving Officials

One or more state agency staff members designated by the agency to review and approve P-card holder transactions.

2.6 P-card Holders

One or more state agency staff members designated by the agency to execute purchases using an assigned P-card. Cards may be issued to travelers and travel arrangers and limited to only those purchases.

3 SETTING UP YOUR PROGRAM

3.1 Enrollment

Political subdivisions wishing to participate in the state P-card program shall submit a written request on their letterhead, signed by the agency's chief administrative officer (for counties and county organizations, the county commissioners must sign the participation request letter), to the state P-card administrator requesting to join the state P-card program. The request must contain the name(s) and contact information of the appointed P-card administrator and backup P-card administrator. The request should be emailed to the State P-card Office at pcard@omes.ok.gov.

State agencies wishing to participate in the program should contact the State P-card Office at pcard@omes.ok.gov to request the Participant Form. The state P-card administrator shall provide written notice to the state comptroller, OMES Transaction Processing and OMES IS Application Services in advance of any state agency beginning use of P-cards.

State agencies: Training and additional information will be received from the State P-card Office.

Political subdivisions: Training and additional information will be received from the assigned implementation contact at the issuing bank.

3.2 Issuing the P-card

The P-card is typically issued to those employees authorized to purchase goods and services for official use by the state.

3.2.1 Application for Individual P-card(s)

The state agency P-card administrator shall order cards through the issuing bank's transaction system for employees approved as cardholders. The agency 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 Office for distribution to the respective agency P-card administrator. (See section 3.5 for State Purchase Card Employee Agreement requirements) The agency P-card administrator or designated representative shall pick up and sign for the P-card and deliver it to the cardholder according to agency policy. Representatives to pick up cards from OMES, other than the agency-assigned P-card administrators, must be designated in writing. An email from the agency P-card administrator is acceptable. Cards for political subs will be mailed to the political subdivision from the bank as described in the linking agreement.

3.2.2 P-card Controls and Limits

State agencies 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:

- Card limit (dollar amount per cycle).
- Single purchase limit (dollar amount per transaction).
- Merchant category code group (see section 7.1.1 of these procedures for exception process).

Single transaction limits for the individual p-card accounts should be set based on state agency needs. Utilizing \$5000 per transaction as the baseline, cards assigned higher single transaction limits should be limited to those assigned procurement duties requiring higher transaction limits, such as purchasing from statewide contracts or paying utilities. Agencies with OMES-approved higher fair market limits up to \$25,000 (an application for higher limits must be approved by the state purchasing director) should restrict the higher single transaction limit to a select few cards. Agencies may also choose to set single transaction limits below the \$5,000 baseline. Single transaction limit assignment over \$5,000 should be reviewed no less than annually by the agency P-card administrator, and may be reviewed periodically by OMES for appropriateness of assignment.

Single transaction dollar limits – purchases are limited to the approved fair and reasonable limit up to \$25,000 authorized by OMES for the agency’s P-cards, or \$5,000 if no other limit has been requested and approved by the state purchasing director. For guidance on IT related purchases, see Section 7.13 of these procedures.

To apply for a single transaction limit above \$5,000 up to \$25,000 for fair and reasonable purchases, please apply through the OMES Purchase Threshold Request Application on the OMES website at <https://omes.ok.gov/forms/purchasing-threshold-request>. Purchases are limited to \$5,000 if no higher-limit approval has been granted.

Title 74 O.S. § 85.5a D authorizes unlimited purchases of the following:

- Purchases from statewide contracts issued by the state purchasing director and from contracts awarded by the state purchasing director for the benefit of a state agency.
- Utilities. (Each invoice should be paid in its entirety with a single transaction. Suppliers who place restrictions on payments that cause multiple transactions to pay a single invoice should not be paid by P-card. If choosing to utilize the P-card for utility payments, the annual cumulative convenience fee totals should not exceed the amount of the P-card rebate for those purchases.)
- Interagency payments.
- Emergency acquisitions; provided that all requirements to establish an emergency in all applicable statutes and rules have been met and declared as such by either the agency’s executive director or the governor. See section 7.4 of these procedures.
- Certain professional services as defined in Title 18 O.S. § 803.

3.3 Employee Status

All personnel serving as state agency P-card administrators and designated backups, agency approving officials and designated backups, P-card holders, or proxy reconcilers must be full-time or permanent part-time (not temporary or contract) employees of an agency. P-card administrators, cardholders or approving officials removed from the P-card program for cause may not hold any role(s) in the P-card program in the future and must be reported to the State P-card Office at the time of removal.

3.4 Cards for Executive Directors

A state agency’s governing board or commission shall determine if the agency’s executive director is to have a P-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 4. A copy of the board or commission approval must be submitted with the training registration form to include the approved spend control limits.

Each cycle, the cardholder statement must be reviewed by the agency’s primary CPO or designated CPO and presented to the governing board or commission for approval at the next meeting following the incurred expenses. The statement shall be signed by the commission or board chairperson.

Should the board or commission not approve the transactions due to questions, the associated p-card shall be suspended until resolution is complete and the statement has been approved. Card suspension and reactivation is the responsibility of the agency’s p-card administrator.

The agency P-card administrator is responsible to make sure that the statements of the state agency’s executive director are completed.

3.5 State Purchase Card Employee Agreement

All state agency P-card administrators, approving officials and cardholders must read and sign the State Purchase Card Employee Agreement in the appropriate signature block before assuming their duties or being issued P-cards. A separate agreement must be completed for each cardholder, approving official and administrator. By signing the agreement, the participant acknowledges that they understand the intent of the P-card program and agree to follow these procedures and any policies or directives established by OMES to supplement these procedures. The State Purchase Card Employee Agreement (OMES Form CP-059) is located on the OMES website at <https://oklahoma.gov/omes/services/purchasing/state-purchase-card.html>.

The OMES CP Form-059 Purchase Card Employee Agreement shall be maintained for all cardholders, approving officials and administrators in the agency's P-card program in one of the following formats:

- The original employee-signed agreement.
- Electronically signed copy of the agreement.
- Scanned employee-signed agreement.

A copy of the signed agreement shall be provided to the employee. For P-card holders, Page 2 (Receipt for P-card) of the P-card agreement shall also contain card limitations applied to the individual employee. A new P-card receipt (Page 2) shall be completed for each new card received and signed by the cardholder to document card possession.

If an employee no longer holds a position within the P-card program, the agency 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 State Purchase Card Employee Agreement.

Note: OMES CP forms cannot be modified by agencies.

3.6 Renewal Cards

Four to six weeks before a P-card's expiration date, which is the last day of the month shown on the card, the issuing bank will send a replacement card to the State P-card Office. Cardholders who have not activated or used their existing cards on a regular basis will not automatically receive a renewal card. Travel arrangers should explain to lodging establishments that they will notify them with the new expiration date as soon as it's received.

3.7 Card Activation and Registration

Upon receipt of a card, the card should be immediately activated by the cardholder by calling the phone number listed on the front of the card. The verification ID provided by the agency P-card administrator is required to activate the card. The PIN must be selected at the time of activation. Once the card is activated, the card must then be registered by clicking the Global Card Access link on the Works home page or by logging onto www.bofaml.com/globalcardaccess.

4 TRAINING REQUIREMENTS

4.1 Initial Training

Agency administrators and backups, approving officials and backups, and cardholders must successfully complete the appropriate initial training authorized and provided by OMES and pass the test before assuming their duties and/or prior to being issued any type of P-card.

Employees returning to the P-card program after an absence of 12 consecutive months or longer will be considered new participants and will be required to complete the initial training. To register an employee for initial training, the agency P-card administrator must submit a P-card training registration form (OMES Form CP-058), which can be accessed at <https://oklahoma.gov/omes/services/purchasing/state-purchase-card.html>. Incomplete registration forms will be returned for missing information. To comply with the requirement for training to be provided by OMES, P-card training will be assigned through the state's learning management system unless circumstances do not allow the trainee to utilize that system. A lodging-only training module is available for lodging-only cardholders. Completion of lodging-only training allows the cardholder to make payments to hotels only and does not cover other purchase types.

Employees who fully edit Works transactions (including Works accountants and proxy reconcilers) may, at the discretion of each agency, attend the Works editing class provided by the state P-card staff, or virtual training session through Microsoft Teams or other virtual platforms. All other participants should be trained internally based on the editing requirements of each agency.

All administrators should complete the State Finance Overview course presented through OMES Finance. New administrators will receive an invitation to attend an administrator training class, or to participate in a virtual Teams – or other virtual platforms – training session.

4.2 Refresher Training

Refresher training is required at least once every 24 months from the initial or previous refresher date for all cardholders, approvers and agency P-card administrators. Training may occur more frequently at the discretion or need of the agency. Refresher training is determined by the agency's P-card administrator and the content must be P-card related. Options include internal agency P-card procedures/policies, webinars/webcasts offered through OMES procurement training, audit classes/courses offered by OMES, State Use events/courses, P-card summit, training offered in Works, or other P-card related events or courses developed at a later date. Monthly email reminders do not qualify as refresher training. A refresher training module is available through OMES. Email pcard@omes.ok.gov for module assignment or to discuss your agency's ideas for refresher training. Refresher training must require participant interaction. An acknowledgement form is only allowed for required reading/review of either updated internal purchasing procedures or State of Oklahoma Policy and Procedures for Purchase Card. P-card administrators are required to read the State of Oklahoma Policy and Procedures for Purchase Card annually within 60 days of publication. A module will be assigned to administrators complete the acknowledgment.

Training conducted internally shall be documented by the agency P-card administrator on the State Employee Purchase Card Agreement forms or on a spreadsheet. Sign-in sheets are to be used for all group training options. An acknowledgement form is required for internal policy change review if being used for refresher training. A read receipt received for an email does not qualify to document refresher training. Training records shall be made available to OMES upon request and the most recent training dates must be provided to the State P-card Office to receive renewal or replacement cards. When the cardholder is within six weeks of a training requirement deadline, any replacement card received will be held by the State P-card Office until the refresher training is completed.

Continuing education units (CEUs) for published courses or modules are allowed only once every two years, with the exception of the P-card Summit, quarterly P-card Administrator's Council, and State Use supplier fair or other event. CEU approval will be obtained by the sponsor for each event held. Internal training conducted by the agency is not approved for CEUs unless the agency receives prior approval from OMES. Employees with lapsed training dates should be suspended from the P-card program by the agency and will be required to take the initial training and test provided by OMES to be reinstated in the program.

5 CARD SECURITY

Each participating state agency is responsible for maintaining adequate security of purchase card account numbers and related information. **Use of the state purchase card is limited to the person whose name is embossed on the card. The P-card shall not be loaned to another person, nor shall the number be given to another person or the number memorized by another person.** 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 and pin cards) is not posted or left in a conspicuous place. It is recommended the P-card holder not carry the P-cards outside of normal duty hours unless required and justified by the agency. If mailing cards to a satellite location, it is recommended to send by certified mail or other shipping method that includes tracking.

5.1 Termination or Separation of P-card Holder

In the event a P-card holder is terminated or separated by the issuing state agency, the P-card shall be cut or broken in such a way as to render it useless and sent to the agency P-card administrator or their designee for complete destruction, and deactivated in the issuing bank's transaction system. In the event the agency P-card administrator is also a P-card holder and is terminated or separated, the P-card shall be deactivated in the issuing bank's transaction system and the card destroyed by the incoming P-card administrator. If no new agency P-card administrator has been appointed, these actions may be completed by the state P-card administrator. If a card is deactivated by the state P-card administrator, the state agency director shall be notified of the deactivation and card destruction date. Agencies shall establish a written internal process to ensure a P-card held by a terminated or separated employee, or an employee who no longer has a job function requiring a P-card, is promptly deactivated and the card shredded.

Once the deactivation process has been completed, the agency P-card administrator or other agency leadership shall document on Page 2 of the State Purchase Card Employee Agreement the date the

P-card is canceled with the issuing bank, the date the account in the issuing bank's transaction system is deactivated and the date the card was destroyed.

In the event a P-card holder will be absent from work for an extended period of time, the agency's P-card administrator will place the card in suspense status in Works. Another P-card holder may be identified to temporarily fill the void left by the absent cardholder if determined by the agency to be necessary. The temporary cardholder is required to comply with all training and documentation requirements specified herein.

5.2 Lost or Stolen Cards

If a cardholder's P-card is lost or stolen, the P-card holder shall immediately notify the agency P-card administrator and 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 a day. P-card holders should keep this phone number in a readily accessible place but separate from the card location. The caller 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 agency 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 agency P-card administrator with a copy to the appropriate state agency approving official. The State Purchase Card Lost or Stolen Card Notification form (OMES Form CP-031) is located on the OMES website at <https://oklahoma.gov/omes/services/purchasing/state-purchase-card.html>.

5.3 Compromised Cards

Fraudulent transactions may be identified by the issuing bank's Fraud Unit, by the state agency, or other transaction reviewers. If a fraudulent transaction is identified by the agency, the bank should be immediately contacted. The card will be immediately closed and reissued by the bank. The closed card should be returned to the agency P-card administrator, or designee, for destruction and notation on the State Purchase Card Employee Agreement.

Note: The issuing bank does not send emails requiring a P-card holder to enter personal information directly into the email.

The state agency is responsible for purchases on lost, stolen or compromised P-cards until the issuing bank has been notified.

5.4 Data Breaches

New cards received from the bank due to data breaches should be immediately activated and registered. Activation of the new card will automatically deactivate the old card. The agency's internal card destruction process should be followed.

6 OPERATIONS AND RESPONSIBILITIES

6.1 Agency P-card Administrator Responsibilities

The state agency P-card administrator is the primary interface between the agency's cardholders and the State P-card Office, and the issuing bank. Agency P-card administrators must have a signed State Purchase Card Employee Agreement form on file in their office for themselves and any backup administrators, and both primary and backup P-card administrators must be current with P-card training.

Agency administrators are responsible for:

- Establishing written agency 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 and maintaining controls for active cards, including setting and changing card spend profiles, ordering cards, deactivating cards, adding and deleting users, and setting permissions.
- Providing the verification ID to cardholders for the card activation process.
- Periodically reviewing a 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 Purchase Card Employee Agreements, including bank statements available in payment center, P-card holder statements, Works invoices, and RPT 170 transaction summary reports in paper or electronic form (suggested reports on a quarterly basis include Group Membership Report and RPT 508 – card profile data).
- 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.
- Submitting exception requests.
- Making sure that all change orders have been processed, authority orders are dispatched by the deadline posted on the website and employees listed as scoped accountants and CPOs are available during the download days for any needed corrections.
- Communicating with the bank on identified fraudulent transactions (at agency discretion, the cardholder may contact the bank directly regarding fraudulent transactions).
- Scheduling program participants for initial P-card training and tracking current agency participant training to ensure training requirements are met.
- Tracking card information on Page 2 of the State Purchase Card Employee Agreement.
- Notifying the State P-card Office when replacing cards due to name change. (Provide both the previous and new last name.)
- Documenting the receipt and destruction of cards due to data breaches, cards no longer needed and cards returned by terminating employees. This process also applies to cards received as replacements or renewals.
- Notifying the State P-card Office on OMES Form CP-034 of any change in state agency administrator or backup administrator. (Agency P-card administrators who are also P-card holders should forward their card to the state P-card administrator for final disposal.)
- Periodically reviewing agency membership reports and verifying terminated employees have been removed from Works.
- Enforcing internal disciplinary actions determined to be necessary or enforcing disciplinary actions necessary due to audit findings.
- 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 <https://libraries.ok.gov/state-employees/records-management/records-scheduling>.
- End-of-cycle process oversight, including ensuring the cycle deadline schedule is met and the voucher is submitted on time to OMES.

6.2 Approving Official Responsibilities

Agency approving officials and backup approving officials must be at least one level above the P-card holder's position (based on the organizational chart or agency hierarchy documentation) be current with P-card training, and have a signed State Purchase Card Employee Agreement on file with the agency P-card administrator. All approving officials must be listed in the bank's reconciliation system, even if they don't approve transactions in that system. **All persons and officials reviewing and approving transactions utilizing the state P-card shall assume the same responsibility and accountability for those transactions as the cardholder.**

Approver responsibilities include:

- Reviewing the P-card holder's reconciled statement and transaction documentation for accuracy; completeness; appropriateness of the purchase; and whether the transactions were conducted in accordance with state statutes, rules, these procedures, agency internal purchasing procedures and P-card policy, and sound business practices.

- Ensure that cardholders make purchases in accordance with the state purchasing hierarchy listed in Section 7.2 of these procedures.
- Assist cardholder with resolving issues with suppliers. Any issue that cannot be resolved between the agency approving official and the P-card holder shall be brought to the attention of the agency P-card administrator for resolution.
- Approving transactions in Works. If not utilizing this option, the agency approving official shall sign and date the cardholder statement (signature stamps are not acceptable; e-signatures are acceptable) to indicate concurrence with the reconciled transactions. Completed statements shall be forwarded to the agency P-card administrator for retention.
- Notifying agency P-card administrator of anticipated long-term absences of both themselves and cardholders.

6.3 Cardholder Responsibilities

The P-card is issued in the designated cardholder's name. All references to cardholder means the individual whose name is on the card. Cardholders must be familiar with and follow all purchasing statutes and rules and meet the training requirements outlined in this document.

Cardholder responsibilities include:

- Ensuring card is activated.
- Registering card by clicking the Global Card Access link on the Works homepage or logging onto www.bofamf.com/globalcardaccess.
- Notifying agency P-card administrator of anticipated long-term absences.
- Ensuring that all purchases are made only by the cardholder.
- The cardholder is 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 and civil and/or criminal legal action.
- Completion of the appropriate P-card training prior to being issued a P-card.
- Using the P-card to purchase only allowed supplies and services within the single transaction limit and credit limit assigned to the P-card in a given month. See Section 7 for additional purchasing information.
- Purchasing only in accordance with the state purchasing hierarchy listed in Section 7.2 of these procedures.
- Confirming that posted transactions are accurate and signing off as instructed by the agency's internal procedures/policy. Any required editing should be performed at least weekly or upon receipt of notice from the bank's transaction system.
- Compiling and maintaining statements and transaction documentation as directed by your agency's internal P-card procedures and policies. See section 10.10 for digital documentation requirements.
- Ensuring that scanned documents are complete and legible if using that feature. See Section 11.4 of these procedures.
- Running cardholder statement at the end of each cycle. See Section 12.2 for additional instructions.
- Notifying the bank and the agency P-card administrator immediately if card is lost or stolen.
- Ensuring card security as stated in Section 5 of these procedures.

Executive directors who are cardholders must follow Section 3.4 for their statements.

7 PURCHASING

This section is not intended to override any statewide purchasing rule or procedure or to be an all-inclusive list of purchases approved for P-card.

This section provides additional guidance for certain types of purchases where:

- Use of P-card is prohibited.
- Additional requirements apply when using a P-card.
- Guidance is frequently misunderstood.
- The purchase pertains to travel.

7.1 General Purchasing Information

- P-cards may be used at any supplier or service provider that accepts Visa. Suppliers may require a minimum purchase amount of \$10 (does not apply to purchases from statewide contracts; however, the statewide contracts may contain a minimum order amount).
- The P-card cannot be used to avoid or bypass appropriate purchasing or payment procedures. P-card transactions will be audited by OMES to ensure the purchase is in accordance with statutes and statewide procurement and accounting policies and procedures.
- The P-card cannot be used for purchasing goods and services considered for personal use.
- The P-card cannot be used for items listed in Section 7.6 Prohibited Purchases.
- Prices paid must be fair and reasonable.
- Internet purchases must be made from a supplier with a secured internet site (e.g., lockbox is present or URL contains https). Faxes disclosing full account information are not allowed.

7.1.1 Procedural Exceptions

An OMES Form CP-030 Request for Exception may be submitted to the State P-card Office for approval by the OMES authorized approver for specific circumstances.

The request shall:

1. Cite the specific paragraphs of these procedures for which the exception is requested.
2. Include a description and justification for the exception.
3. State the specific length of time for which the exception is necessary. The form can be accessed at <https://oklahoma.gov/omes/services/purchasing/state-purchase-card.html>. The agency P-card administrator and state P-card administrator shall keep approved exceptions on file.

Note: OMES CP forms cannot be modified by agencies.

7.2 State Purchasing Hierarchy

P-card purchases must follow the state purchasing hierarchy, which means that each of the following supplier types shall be used in this order unless the supplier does not have the item that the agency wishes to purchase or cannot meet certain other requirements.

State Use – State Agencies shall first use suppliers on the State Use procurement schedule. State Use statewide contracts are mandatory for use. Agencies shall reference the State Use procurement schedule to ensure P-card purchases are pursuant to Title 74 O.S. § 3007.

Oklahoma Correctional Industries – If the item is not available from a supplier on the State Use procurement schedule, Agencies shall make purchases from OCI pursuant to Title 57 O.S. § 549.1 unless the state agency has requested a waiver from and received written approval from OCI. The P-card holder shall retain any quotes obtained in support of this transaction with the monthly transaction documentation.

Mandatory statewide contracts – When neither of the above meets the needs of the agency, purchases be made from a mandatory statewide contract if the item is available, **regardless of the purchase price** unless the state agency has requested an exception and received written approval from the state purchasing director or designee.

Non-mandatory statewide contracts – If none of the above apply, agencies are encouraged to use non-mandatory statewide contracts when possible.

Local Suppliers – Upon obtaining required documentation that the above sources cannot supply the required items, the purchaser may proceed to local supplier sources. All procurement laws and rules will apply.

Additional information – Additional information on the above hierarchy may be obtained from an agency CPO and are found in the OMES Central Purchasing promulgated rules (260:115-7-3) <https://oklahoma.gov/content/dam/ok/en/omes/documents/CentralPurchasingRules.pdf>.

Exceptions from State Use, OCI or mandatory statewide contracts must be requested from the State Use Procurement Specialist, OCI or the contracting officer listed on the statewide contract through the use of OMES Form 109 prior to the purchase.

7.3 Online Accounts

An agency may leave P-card information on file with an online merchant when the following conditions exist:

- Including a card number is required to set up an account with the merchant.
- The account requires a secure login.
- Each purchase must be specifically initiated by the cardholder.

Online ordering is more secure than calling a supplier and providing your P-card number over the phone for payment. Therefore, if the supplier's payment software solution is PCI compliant, at the agency's discretion, cardholders may set up an online account for placing orders. Only the cardholders may place orders and shall not provide their account details to other employees. Long-term recurring orders cannot be scheduled in advance.

Agencies may use third-party processors like PayPal or Square when purchasing goods and/or services when the supplier does not provide an option to charge the card directly. Payments may not be completed using personal accounts, cardholders may utilize guest checkout if available or create an account using an agency email address. Loading a PayPal account balance with funding is considered a cash advance and is prohibited.

The P-card may be used for payments for social media campaigns that utilize a Pay-Per-Click/Impression model. An invoice must be included with the statement documentation for each payment.

7.3.1 Mobile Device Payments

The use of mobile wallets is not approved for use. Cardholders are prohibited from adding a card to any payment applications on a mobile device such as Apple Pay, Google Pay, Samsung Pay, etc.

The P-card must be not stored on a mobile device in the Apple App Store to purchase apps directly from the P-card. To purchase an app for a mobile device, agencies should acquire iTunes gift cards for payments. Gift card acquisitions are prohibited without prior approval. Agencies must submit full justification on OMES Form 030 to the State P-card Office requesting approval prior to the purchase of an iTunes gift card. See Section 7.1.1 of these procedures. If approved, the P-card may be used to purchase the iTunes gift card. Use of the iTunes gift card should be controlled by the agency. All purchases made on the iTunes gift card must be tracked by the agency and available upon request of auditors or OMES.

7.4 Emergency Purchases

Purchases for remediation of declared emergency events to state property, the environment, public health, safety or welfare are unlimited. Refer to pertinent statutes and rules for required reporting and declaration of emergencies.

7.5 Automatic Drafts

Agencies that determine the need to provide payment information to suppliers for automatic drafts are responsible to ensure that the supplier uses payment software that is PCI compliant, and a detailed invoice is received and matched to the posted P-card charge. The agency is also responsible to ensure that payment information is updated with the supplier when cards are renewed, replaced or in the event the cardholder whose card is on file is no longer authorized to make payments. It is recommended that the agency keep the details of the account in a secure location to ensure continued account access and to be able to change payment information when needed.

7.6 Prohibited P-card Purchases:

- Entertainment.
- Split purchases.
- Per diem food and beverages as authorized by the STRA and any other statute pertaining thereto.
- Cash, cash advances or automatic teller machine (ATM) transactions.
- Goods or services for personal use.
- Items not for official state business.
- Any transaction or series of transactions that exceed the limits established on an individual P-card (this is not inclusive of the maximum limits imposed by statute).
- Insurance.
- Motor fuel for personal vehicles or state-owned equipment and vehicles.
- Automotive general maintenance, ancillary items and emergency repairs pursuant to statewide contract No. 101 (SW101) for Automated Fleet Fuel Management System. (Maintenance, repairs or parts for equipment are not prohibited.)
- Gifts, gift cards or gift certificates. Refer to Section 7.7 for additional information.
- Frequent traveler program membership fees.
- Parking tickets or other traffic tickets.
- Late checkout lodging charges.
- Airline seat preference or upgrade charges.
- Bell hop fees and tips.
- Coat check fees.

7.7 Gift Cards and Other Statutorily Authorized Expenses

Gift cards and other expenses explicitly authorized in Oklahoma State Statutes or grants do not require an exception from these procedures. If the purchases require the P-card to be moved to an exception profile, the agency must notify the State P-card Office. Statutory or grant references should be noted in the transaction reconciliation system, and the responsibility for proof of statutory or grant authorization remains with the agency.

Gift cards or certificates purchased for employee performance recognition pursuant to 74 O.S. § 4121 are a taxable, reportable item for the recipient and must be processed through the payroll system.

7.8 Auctions and Auction Websites

The P-card may be used for payment of items purchased at auction or through an online auction site. The transaction total, including all auction fees and taxes, if applicable, cannot exceed the single transaction limit up to \$25,000 approved for the agency by the state purchasing director, or \$5,000 if no higher limit has been approved. The state agency is responsible for complying with auction site load-out requirements and deadlines. Thoroughly read all auction site details before placing any bids.

7.9 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.

- **Conference attendance** –The P-card may be used to register for conference attendance and for payment of training course fees. Attendees should be registered and paid for separately. Consult the Statewide Accounting Manual for additional restrictions. Registered attendees for whom payment has been made by P-card who then decide not to attend *without justifiable cause* must reimburse the agency by personal check or money order.
- **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. The total cost to a single supplier cannot exceed the single transaction limit up to \$25,000 approved for the agency by the state purchasing director, or \$5,000 if no higher limit has been approved, if paid with the P-card.

7.10 Food Purchases

Because food purchases can easily be subject to abuse, special procedures apply when purchasing food by P-card. Some agencies have explicit statutory authority to purchase food and others have a degree of implied authority at the executive director level. Provided an agency has explicit statutory

authority to purchase food, the P-card may be used for payment up to the single transaction limit up to \$25,000 approved for the agency by the state purchasing director, or \$5,000 if no higher limit has been approved. It is required that the statutory reference be included in the description or comments section of the Works transaction.

For any other food purchases, the agency must have an internal policy signed by the executive director of the agency and make that policy available to OMES auditors upon request. Any food purchase where there is not explicit statutory authority must comply with the agency's food policy. Departments within the agency may not make food purchases that do not comply with agency policy unless the purchase includes documentation of prior approval from the agency executive director. Meal costs shall be limited to no more than one quarter of the daily per diem allowance. Gratuity or tips are allowed up to 20%. For authorized meals that exceed the per diem limitations, the agency must provide documentation of authority for the purchase. This documentation should be attached to the P-card holder's monthly statement.

The P-card may not be used to purchase meals while in travel status. Meals must be paid by the traveler and reimbursed through the travel claim process.

7.11 Foreign Monetary Conversion Fees

Conversion fees may be paid with the P-card. A screenshot or printout from a conversion website such as www.oanda.com showing the conversion rate at the time of the transaction must be included as transaction supporting documentation. The bank must be notified before making any foreign purchase.

7.12 State Sales/Lodging Taxes

In-state agency-direct purchases are exempt from the State of Oklahoma sales tax. P-card holders shall use care to ensure they are not being charged state sales tax. 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 available at <https://oklahoma.gov/content/dam/ok/en/tax/documents/resources/publications/letters/exempt-letters/PurchasingCardUserExemptLetter.pdf>. P-card holders should check with each supplier to ascertain the supplier's tax-exempt policy and obtain that supplier's tax-exempt card or number to be used in conjunction with P-card purchases from that supplier. P-card holders shall obtain a credit from the supplier for any sales tax charged within the State of Oklahoma.

Agencies also have immunity from taxes imposed by municipalities. Therefore, agencies shall not pay taxes to Oklahoma municipalities, including sales tax, hotel occupancy tax, entertainment tax, etc.

Cardholders encountering issues with in-state lodging facilities should contact their agency P-card administrator. If additional assistance is required, the agency administrator should contact the State P-card Office by email within 10 business days of posted charge.

State agency purchases (including lodging) made out-of-state are not usually 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. Additionally, the State of Oklahoma is **not** exempt from tribal taxes and tourism assessment fees such as the Tulsa Tourism Improvement District assessment.

7.12.1 Sales Tax on Internet Purchases

To avoid paying sales tax, prior to purchasing items through a supplier's website, the agency must create an account with the online supplier in the name of the agency. Once the account is set up, the agency may register for the supplier's tax-exempt program. Information on the supplier's tax-exempt program can be found through a link on the homepage. Some suppliers accept a Streamlined Sales and Use Tax Agreement that can be obtained at <https://www.streamlinedsalestax.org/Shared-Pages/State-Detail>.

7.13 Information Technology

IT purchases shall be made in accordance with Title 62 O.S. § 34.12.B. and the IT Standards and Policies located at <https://oklahoma.gov/omes/services/information-services/policy-standards-publications.html>. All hardware and software acquisitions must be on the Approved Hardware/Software

list located on the above website or be approved by IT through the ePro process. **All IT purchases exceeding the statutory single transaction limit must be listed on a statewide contract.** IT acquisitions shall comply with the applicable Oklahoma Information Technology Accessibility Standards issued by OMES, also available on the above website.

Refer to Title 62 O.S. § 34.12.B. and the Central Purchasing Rules (OMES Administrative Rules, OAC 260:115-7-54) for rules and procedures regarding information technology acquisitions and exceptions at <https://oklahoma.gov/omes/services/purchasing/reference-guide.html> and to the Procurement Information Memorandum (PIM) Delegation of Authority at <https://oklahoma.gov/omes/services/purchasing/reference-guide/pims.html>. IT & Telecom services and repairs are not included in this delegation of authority.

IT & Telecom services and repairs are **not** listed on the Approved Hardware/Software list, although they may be included in the contract covering the items on the list. The annual cost of services and repairs should be estimated and included on the IT authority order. Single transactions for IT repairs and services are capped at the single transaction limit of \$5,000 or up to \$25,000 approved for the agency by the state purchasing director unless listed on a statewide contract.

Additional information regarding IT procurement may be obtained from OMES IS. IS contact information can be accessed by clicking on the Partnering with OMES Information Services located at <https://oklahoma.gov/omes/services/information-services/partnering-with-information-services.html>.

7.13.1 Documentation

If separate IT approval was obtained prior to purchase, the approved ePro requisition must be canned and attached to the Works transaction and included with the end-of-cycle statement documentation. See Section 11.4 for more information.

7.14 Transaction Fees

Visa limits the amount that merchants may charge for transaction fees to 4% or less based on the transaction amount. Convenience fees are also limited to 4% and can only be charged if payment is made through an alternate payment channel outside of the merchant's customary payment channels. If an agency has a concern about being overcharged on these fees, contact the State P-card Office.

8 TRAVEL ACQUISITIONS AND REGULATIONS

The P-card may be used for the purchase of airfare and lodging. Travel acquisitions are intended for travel or lodging expenses for active state employees or officials of the state; however, the 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 (e.g., volunteers). 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 (e.g., a temporary employee paid by Galt, or a person paid by another company through a contract, even if that person offices in the agency).

8.1 Travel Services Contract

The State of Oklahoma Travel Services Contract includes an online booking tool (OBT) through a travel management company for acquisition of travel services in support of official state business. The travel program was developed to provide a means to procure travel through negotiated rates, reduced agent fees, and provide cumulative travel reporting for better visibility and accountability.

The OBT provides:

- Increased visibility of employees on state business.
- Reduction of the state's overall travel costs through savings in travel agent fees.
- Streamlined booking and administrative processes.
- Tracking of unused tickets.

The OBT is credit card driven to assist state Agencies with tracking and managing travel purchases. It is recommended that travelers and travel arrangers needing assistance with the OBT, contact the contracted supplier. Send all traveler information forms and questions to omestptravel@omes.ok.gov.

Oklahoma institutions of higher education and political subdivisions may choose to use the statewide travel contract.

8.2 Airfare

Airfare must be purchased at the lowest logical airfare for coach airline tickets. Flight times may be taken into consideration when making reservations, but the price should be fair and reasonable and the lowest reasonable selection for the trip. Airfare booked with a P-card is limited to the single transaction limit up to \$25,000 approved for the agency by the state purchasing director, or \$5,000, if no higher limit has been approved, per employee per transaction. Multiple tickets purchased and paid in a single transaction may not exceed the agency's approved single transaction limit. For travel itineraries that are changed and flights not canceled according to airline policy before scheduled departure date and time, or changes that are not communicated to the travel arranger in time to meet the airlines cancellation deadline, the traveler will be required to reimburse the agency if the flight was originally paid by P-card, unless justifiable cause is documented and approved by the agency director, or designee. If airfare is charged to an agency travel arranger's card, all authorized ticket changes shall go through the travel arranger. Charges not approved and authorized cannot be paid by P-card.

8.2.1 Documentation

The P-card holder shall scan and attach to the Works transaction all transaction documentation for reconciliation at the end of the cycle. A separate invoice for the agent fee is not necessary as long as both the ticket fees and the agent fees are listed on the invoice. See section 11.4 for additional information.

8.3 Lodging

Lodging purchases for state employees or authorized non-state personnel traveling on official business shall be made in compliance with the STRA, the Statewide Accounting Manual and these procedures. The P-card holder shall retain all transaction documentation for reconciliation at the end of the cycle.

Reservations may be made for each attendee separately without being considered a split purchase. Reservations made for multiple attendees and paid in the same transaction are still subject to either \$5,000 or other single transaction limit up to \$25,000 approved by the state purchasing director.

The state agency travel arranger may be issued a P-card in his or her name to make lodging reservations on behalf of the agency. Booking lodging through the OBT is optional and is *not* recommended for in-state lodging at this time. Travelers may be issued cards to book their own lodging or, at the agency's discretion, may use their personal credit card or debit card and file a claim for reimbursement. All incidentals must be on the traveler's personal card.

The P-card holder shall verify that the lodging establishment and price complies with the STRA and the Statewide Accounting Manual. In general, lodging rates may not exceed the GSA published lodging rates unless using a designated hotel. See the Statewide Accounting Manual for more information on lodging restrictions and exceptions. For questions, contact omestptravel@omes.ok.gov.

The agency travel arranger or traveler shall verify that **in-state** lodging charges do not include Oklahoma lodging tax, municipality tax, city tax, occupancy tax or tourism tax when paid by P-card. See Section 7.12 of these procedures.

When required by the lodging establishment, the traveler's lodging stay may be posted to the P-card in advance, **provided** the lodging is refundable upon cancellation. Documentation of the lodging establishment's cancellation policy shall be retained by the travel arranger or traveler for the end-of-cycle P-card reconciliation. Traveler will be held responsible for neglecting to properly cancel the lodging in time to receive the refund, unless justifiable cause is documented and approved by the agency director, or designee. Resultant P-card charges must be reimbursed to the agency by personal check, money order or reduction of travel claim.

The lodging establishment must provide a final detailed receipt (folio) once lodging services have been provided. The folio must be obtained by either the traveler or the travel arranger and retained for the end-of-cycle documentation.

It is the agency's responsibility to determine if resort fees charged by lodging establishments are necessary or a personal expense. Documentation of such determination must be included with the appropriate P-card statement.

OMES Form CP-032 Letter to Lodging Establishment Template may be used by agencies to correspond with hotels for various reasons. The form template is available for use on agency letterhead at <https://oklahoma.gov/omes/services/purchasing/state-purchase-card.html>. This letter may be used at agency discretion. No modifications shall be made to this letter.

Failure to follow the airfare and lodging guidelines could result in suspension of travel purchases with the P-card.

8.4 Transportation – Taxi, Bus, Shuttle and Rail

Local transportation services, including ridesharing services such as Uber or Lyft, may be arranged and paid for by either the traveler or travel arranger. Tips up to 20% of the taxi or ridesharing fare may be paid with the P-card.

8.5 Travel-related Expenses

Room service, meals, phone charges (not business-related) and 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 (e.g., phone calls, room service, movies, etc.). Such repayment can be made by check or money order submitted to the state agency. 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. See Section 12.2 of these procedures for voucher adjustment comments related to personal charges.

- Expenses such as parking fees, toll fees and baggage fees are authorized to be paid by P-card as long as the charges conform to the requirements of the Statewide Accounting Manual.
- Fuel for rental vehicles may be purchased with P-card. See Section 10.1 of these procedures for required documentation for rental vehicles.
- See Section 7.11 of these procedures for foreign currency exchange rate information.

8.6 Vehicle Liability Insurance

8.6.1 In-state Vehicle Coverage

The State of Oklahoma is self-insured for liability issues through OMES State Risk Management. This coverage protects employees while traveling within the scope of official duties for the state. This coverage applies to any vehicle (state-owned, rented or personal) the employee may use. A copy of your agency's Proof of Coverage may be obtained from your state agency Risk Management coordinator.

(Please be advised that while traveling inside the state, if selecting to use a personal vehicle, the State of Oklahoma does not provide coverage for any damage to the personal vehicle.)

8.6.2 Out-of-state Vehicle Liability Coverage for Rental Vehicles

The commercial insurance policy provided through OMES State Risk Management provides liability coverage for out-of-state travel. However, an additional physical or collision damage waiver or loss damage waiver (CDW or LDW) is advisable if not renting the vehicle from a statewide contract supplier. Failing to purchase this coverage may subject the employee to personal liability. Personal accident insurance (PAI), personal effects insurance (PEI) and other supplemental liability insurances are considered personal expenses and are not reimbursable.

8.6.3 Personal Vehicle Coverage

If selecting to use a personal vehicle when traveling outside of the State of Oklahoma on official state business, the employee will be responsible for any liability and property issues that may occur. The state's out-of-state commercial insurance policy will only apply as excess coverage above the limits of the employee's personal vehicle insurance. It is **strongly recommended** that when traveling outside of the state you use a rental car from the statewide short-term rental contract (SW771).

8.7 Foreign Travel Coverage

- It is strongly recommended that when traveling outside of the U.S. on state business that the employee purchase all insurance, both liability and auto physical damage coverage, offered by the rental company when renting a vehicle in a foreign country.
- All foreign travel shall be reported to the OMES State Risk Management through the annual foreign travel survey or at least 30 days prior to overseas travel for area-specific insurance coverage information.
- Contact OMES State Risk Management for additional information related to foreign travel or any other insurance issue at 405-521-4999 or <https://oklahoma.gov/omes/services/risk-management.html>.

8.8 Frequent Traveler Benefit Programs

- Per the STRA (74 O.S. § 500-15), "no travel claim shall be awarded if the filer of the claim has benefited from the personal receipt of frequent travel miles unless those miles are used to offset future claims against the state."
- State agencies must determine how the frequent traveler benefits will be tracked and must make the tracking information available upon request to the State P-card Office or the State Auditor's Office. Documentation suggestion is for the traveler to maintain a spreadsheet or other records differentiating business miles or points from personal miles or points.
- The pre-check (Pre ✓) program offered by the Transportation Security Administration for expedited security screening may be used by travelers. Any fees that may be associated with this program are the responsibility of the traveler and are not reimbursable expenses. The Known Traveler Number, if applicable, must be entered in the appropriate section in the OBT prior to making a reservation in order to print on the airline ticket. If the KTN is not printed on the airline ticket, the program cannot be used for that trip.

8.9 Travelers with Disabilities or Medical Conditions

Employees with documented disabilities or medical conditions may be authorized to incur baggage assistance or other disability-related expenses. For passengers of size requiring additional space during travel, consult the airline's policy. Travel requiring the booking of an additional seat will need to be made by phone through the TMC's published phone number. It is recommended that written exception approval be obtained before traveling to ensure smooth processing of the travel voucher. Submit an email explaining the special situation to omestptravel@omes.ok.gov.

For additional information related to an authorized disability-related expense, contact Transaction Processing at omestptravel@omes.ok.gov.

8.10 Vehicle Violation Fines and Tickets

Parking tickets or moving vehicle violation fines are the personal liability of the traveler and are **not** reimbursable expenses (except tickets for broken lights, etc. on state vehicles when employee is not at fault). All fines shall be paid to the ticketing agency by the traveler. Fines charged to the state P-card by rental car agencies will incur additional administrative charges from the rental company. The traveler is responsible to reimburse the state agency for the total amount charged to the P-card related to the violation, including towing expenses. Habitual violations may restrict a traveler's ability to use the P-card for vehicle rentals. This policy applies to violation fines received while using personal vehicles on state business.

9 RETURNS, CREDITS AND DISPUTES

9.1 Processing Returns and Disputes

In most cases, payment issues can be resolved directly between the P-card holder 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 must issue a credit receipt for items that are returned, and the return should be credited to the P-card. This credit may appear on a subsequent statement if the credit process is not completed in the same payment cycle as the original purchase. Keep on file all documentation related to returns, credits and disputes for reconciliation to the statement. If the P-card holder and merchant cannot resolve the issue, contact the state agency P-card administrator for assistance. Disputed transactions that cannot be quickly resolved by the P-card holder or agency administrator shall be reported to the issuing bank immediately by the agency P-card administrator, or at the agency's discretion the cardholder and, at the latest, no more than 30 days after the original transaction date. The issuing bank will investigate the dispute on the P-card holder's behalf and assist in resolution. If needing to file a dispute, the bank must be contacted at 866-500-8262 or the customer service number on the back of the card so the card can be closed and reissued. Transactions cannot be disputed after payment has been made to the bank.

9.2 Credits

If the agency is credited for any items or services that were originally paid with the P-card, then the credit should be processed through the merchant system. The merchant cannot be allowed to maintain a store credit or use the credit toward future or other invoices. It is highly recommended that a credit be annotated in the issuing bank's system by cross-referencing the TXN of the original transaction on the credit transaction and vice versa. Credits cannot be received in the form of cash. In the event that a credit can only be processed by refund check, a copy of the check must accompany the corresponding statement documentation and the refund check number annotated on the transaction in the bank's transaction system. An explanation of why the refund could not be processed through the merchant's system must be obtained and retained with the statement. See Section 10 for documentation requirements.

9.3 Exchanges

Items needing to be returned may be exchanged for other items during the same transaction. If the credit amount is greater than the purchase amount of the new items, the difference shall be credited to the P-card. If the purchase amount of the new items is greater than the credit amount, the receipt must show both the credit amount and the purchase amount.

10 DOCUMENTATION REQUIREMENTS

10.1 Receipts and Supporting Documentation for all Transactions

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.
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. **Receipts cannot be manually modified in any way by either the merchant or agency.** A credit receipt or email detailing the reason for credit from the merchant is required for all credit transactions. All posted transactions must have a corresponding written document.

10.2 Goods or Services Received at the Time of Purchase

The itemized receipt for purchase shall serve as the receiving document.

10.3 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 shall be obtained and shall contain an itemized and detailed description of the purchase.

10.4 Itemized Receipt Unobtainable

If the receipt provided by the merchant is not detailed and itemized, the first course of action shall be to 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.
4. Transaction total.

The written itemization shall be signed by the merchant or its authorized designee.

In the event all attempts to obtain an itemized receipt from the merchant have failed, attach a written itemization of the charges to the receipt received 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.
5. Explanation of why other attempts of obtaining an itemized receipt failed.

The written itemization shall be signed by the cardholder and the cardholder's approving official or designated backup approving official. This statement must be included with the end-of-cycle documentation.

10.5 Lost or Missing Receipts

A 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 agency will pass this charge to the P-card holder. The charge will appear on the cardholder statement as a bank fee. (There will not be a receipt for this fee.) Cardholder reimbursement to the agency will be in the form of personal check or money order. Documentation in the transaction system is required for a bank fee and should include the check or money order number. A copy of the check or money order must be included in the cycle statement documentation.

10.6 Products Shipped

In addition to the receipt, a packing slip or proof of delivery must be obtained (proof of delivery may be obtained from carrier's website). The receiver's signature is recommended on the packing slip or proof of delivery.

Agencies that determine that it is advantageous to the agency to ship items to the location of usage, must include this process in their internal purchasing procedures. The agency must obtain proof of receipt and confirm that items are not used for personal use. The agency is required to ensure that all items are properly accounted for, according to all rules and policies, and ensure items are returned to the agency upon employee termination.

10.7 Airfare

The invoice shall serve as the receiving document for airfare (traveler's signature is not required). As long as the agent fee is listed on the itinerary, a separate receipt for the agent fee is not necessary.

10.8 Lodging

The folio received from a lodging establishment by either the traveler or the travel arranger is considered the P-card receipt. All folios must be itemized. A copy of the approved in-state lodging exception form (OMES Form 19E), if applicable, or other documentation substantiating the specified rate shall be included in the end-of-cycle documentation. OMES Form 19E is available at <https://oklahoma.gov/omes/services/accounting-reporting/car-forms.html>.

10.9 Other Transactions

In addition to the purchase receipt, the cardholder and approving official signatures on the cardholder's statement indicate that these products and services were received and approved to be paid with the purchase card (e.g., a software purchase where a link to download the software is provided in an email).

10.10 Maintaining Digital Documentation

Agencies shall scan all invoices, receipts and packing slips into a digital file and retain according to the published retention schedule at <https://libraries.ok.gov/state-employees/records-management/records-scheduling>.

A pdf app, such as Genius Scan or other pdf app designated by the agency, should be used on the cardholder's mobile device at the time documentation is received to ensure file is in PDF format and immediately emailed to their work or agency-designated email address for attaching to the Works transaction.

11 TRANSACTION EDITING

The following information shall be listed in the bank's transaction system. Some of the information is automatically populated for suppliers registering as a Level III merchant; however, the airlines and lodging establishments have 30 days to provide the Level III 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 on the Allocation Detail screen. 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. Supporting documentation is required for all travel transactions paid by P-card regardless of dollar amount.

- **Standard purchases:** Internal agency procedures will determine if a description is required for transactions less than \$5,000 or the approved amount up to \$25,000. Statewide contract number, if applicable, shall be selected utilizing the provided drop-down menu. Transactions greater than the agency's approved single transaction limit up to \$25,000, or \$5,000 if no higher limit has been approved, must have a description in either the description field or the comment section and must have the SW contract number or exempt category selected from the category column drop-down list. No other transaction types may exceed the agency's approved limit up to \$25,000, or \$5,000 if no higher limit has been approved, per transaction.
- **Registrations:** Attendee's name and/or employee ID number and name of conference.
- **Airline purchases:** Traveler's name and/or employee ID number. If the travel is not for an employee and must remain confidential (e.g., custodial travel for a minor), the name may be left out of the description.
- **Lodging purchases:** Traveler's name and/or employee ID number.
 - Specify:
 1. Designated or host hotel.
 2. GSA lodging rate.
 3. Tribal hotel.
 4. Approved exception to in-state lodging rate (see Section 10.8 of these procedures). There are no other authorized rates.
- **Taxi, parking, bus, train, shuttle and transportation-related purchases:** Traveler's name or employee ID number.

11.1 Account Codes

As with any purchase, state agencies 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. For a complete list of account codes, see the Statewide Accounting Manual.

Account codes are defaulted based on the MCC codes for each merchant. However, these codes may not be appropriate in many circumstances and the correct account codes should be assigned online by the purchaser or other state agency personnel, utilizing the drop-down list in the transaction system and/or the Statewide Accounting Manual. Online review and correction of account codes should be done using the bank's website at least weekly or preferably daily to permit quick processing during the short payment window at the end of the billing cycle.

11.2 Transaction Allocation

Funding allocation information for each P-card or group may be defaulted by the agency P-card administrator. Online review and correction of funding allocation information 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 series funds.

- The issuing bank provides state agencies access to online transaction information for continuous reconciliation and funding verification before data transmission to the state accounts payable system.
- Transactions posted in Works should be updated and approved by the cardholder and approver on at least a weekly basis (daily is preferred) to ensure adequate time for the reconciliation and payment process at the end of the cycle.
 - Required information includes:
 - Account code.
 - Fund type-class.
 - Department ID – program code.
 - Business unit.
 - AO information.
 - SW contract number, if applicable.
- Additional information may be required based on the type of transaction or agency preference.
- Any transaction appearing in Works that is determined to be fraudulent must also be reviewed and funding information allocated as if it were a valid transaction. The credit transaction that follows from either the bank or the supplier must then be allocated with the same funding information as the original charge. If the credit is not processed in the same cycle as the charge, the charge must be paid and then will be offset the following month with the credit transaction.
- In the event that a P-card is mistakenly used for a personal purchase and a credit cannot be applied to the P-card and proper payment made, the agency must obtain a personal check or money order from the employee for the amount charged to the P-card in error. The original transaction must be annotated with the employee's check or money order number in the issuing bank's transaction system, and a copy of the check or money order must accompany the corresponding statement documentation. Non-repayment of personal expenses to the state by the P-card holder shall result in the employee's loss of P-card acquisition privileges and other disciplinary or criminal actions.

Note: For those agencies that have an agreement with ABS, the agency and ABS must determine which P-card tasks are to be completed by each party.

11.3 Asset Identification

State agencies shall establish procedures to ensure items acquired using the P-card are added to the agency'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. If the agency uses the PeopleSoft Asset Module, the assets must also be identified in Works in the GL09: Asset Profile field.

11.4 Attaching Documentation to Works Transactions

All transactions shall have at least the invoice/receipt attached to it in Works. From the assigned file

location per section 10.10, the document can be attached to one or more Works transactions. Refer to the Works Task Manual or guide for information on how to attach supporting documentation. Attachments in Works are **not** the official copy of record since Works is not owned by the State of Oklahoma and each agency is required to retain P-card records in office. For retention information refer to <https://libraries.ok.gov/wp-content/uploads/grds-schedule-2018.pdf>.

If an exception from this requirement is necessary, submit OMES Form CP-030 Request for Exception to pcard@omes.ok.gov for approval by the state purchasing director.

12 OTHER FINANCIAL OPERATIONS

12.1 Encumbering Funds

State agencies shall establish encumbrances as authority order purchase orders in the state purchasing system. Agencies are required to create an authority order prior to making any P-card transactions. A separate AO must be created if making IT purchases with the P-card. Change orders to amend the encumbrance(s) may be processed as necessary.

Remember to follow the prior encumbrance requirement (sufficient balance implied) to comply with the encumbrance law (62 O.S. § 34.62. – Encumbrance requirements for payment of state funds). The administrative head of a state agency shall be personally liable for obligations incurred in excess of the authorization (funds encumbered). Accordingly, the director of OMES shall never authorize payment of claims (vouchers under CORE) for purchases not supported by an encumbrance and any invoice or claim dated before the date of the encumbrance shall be rejected (for more information regarding this statute, please contact OMES at 405-521-4679). Appendix B provides AO setup information.

12.2 Cycle Reconciliation

State agencies shall assume full responsibility for reconciling and balancing all P-card transactions before the payment. Payments will not be processed for an agency with a cumulative credit balance. Nevertheless, the agency must build the voucher and attach the invoice. The agency shall retain the vouchers, invoices and batch slips until there are sufficient charges to offset the credit. Once the credit has been recouped, the batch slip listing the unpaid vouchers from the prior billing cycles should accompany the current cycle voucher(s) with the required invoice documentation. Agencies shall pay for unresolved disputed transactions filed with the issuing bank. Once the dispute has been resolved in favor of the agency, a credit will be processed by the bank.

- The P-card holder reconciles receipts and any other transaction documentation monthly and forwards to state agency approving official.
- The agency approving official reviews and approves the reconciliation statement and forwards to agency P-card administrator.
- In lieu of running individual cardholder statements at the end of the cycle, the agency may 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 agency P-card administrator must run and retain the RPT 170 Transaction Detail Report with Sign Offs. State agencies should determine additional end-of-cycle processes internally.

Each state agency P-card administrator will be provided access to a separate statement portal provided by the issuing bank to download bank statements reflecting the amount due from said agency that should balance to the voucher(s). The end of the P-card cycle is the last business day of the month. The P-card billing cycles with transaction closing deadlines are posted on the P-card page of the OMES website at <https://oklahoma.gov/omes/services/purchasing/state-purchase-card.html>. All AOs must also be **dispatched** by this same deadline. OMES must receive P-card vouchers from each agency by the specified voucher due date and time to allow OMES sufficient time for processing and timely payment.

Each agency will create the accounts payable voucher each month using the PeopleSoft batch voucher request process for procurement card including any disputed transactions. Agencies 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 voucher build class provided by OMES. 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 agencies participating in the P-card program. Therefore, detailed transaction documentation supporting P-card transactions shall be retained by the state agency and made available upon request. No documentation other than the transaction system invoice and the batch slip should accompany the voucher submitted.

- OMES Central Accounting and Reporting Transaction Processing makes one combined payment to the issuing bank each month on behalf of the P-card program. In order to avoid late fees, interest charges and a reduction of the rebate earned, all agencies shall have their vouchers turned in to OMES CAR by the deadline schedule listed on the P-card page of the OMES website. The schedule is set up one 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 with the state P-card administrator and OMES Transaction Processing at a cost of \$150. On the third occasion, that agency's program will be suspended for three months.
- Voucher build best practice – if needing to note adjustments made to P-card vouchers due to personal expense charges owed to the state, the state agencies should 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 agency should 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 containing the adjustment.

12.3 Interagency Payments

Preference for interagency payments is to pay by voucher, selecting the payment method WIR. (DCAR Newsletter, Vol. 21, No. 7, dated Feb. 18, 2011.)

Interagency payments **may** be made with the P-card at the discretion of the agency receiving the payment. Interagency payments include payments to state agencies and other governmental entities. Although interagency payments are unlimited according to Title 74, it may not be financially advantageous for an agency to accept a large-dollar payment due to the merchant fees assessed. Consult the other agency before making a purchase to ascertain their P-card payment acceptance limits.

13 ANNUAL (FY) REBATE

The contract with the issuing bank provides a rebate to agencies and political subdivisions based on their level of use. Rebate percentages may differ based on dollar thresholds. The issuing bank remits the entire rebate to OMES on an annual basis (around August) with a breakdown of the amount due each agency. OMES will distribute the rebate among agencies through inter-agency transfer if the agency has a clearing account, and through paper warrant if no clearing account exists.

- Higher education and political subdivisions – the issuing bank will send a check or electronic funds transfer directly to these entities.

13.1 Expenditures Charged to Federal Programs

Agencies charging P-card expenditures to federal programs must take the rebate into consideration when charging the federal program and allocate to the federal program upon receipt. This has been questioned by the federal government in the state's SWCAP review.

14 AUDITS

14.1 Purchase Card Continuous Monitoring

The OMES Procurement Audit team electronically monitors all state agency purchase card transactions. Auditors will create a case on a suspicious transaction and request a receipt or other

documentation from the agency for review. The agency will have five business days to respond. If no response is received, the auditor will send out a second request for the information with a five-business day response period.

14.1.1 Agencies with Approved Extended Exceptions

All transactions of cardholders who have been granted exceptions for an extended period of time, as required by their position, will be audited by the agency P-card administrator and the OMES Procurement Audit team. Internal audit documents shall be kept by the agency P-card administrator and made available upon request.

14.2 Purchase Card Audits

The OMES Procurement Audit team will conduct agency detailed purchase card audits. The audits are selected based on risk assessments performed by the OMES Procurement Audit team.

The audit process includes:

- The agency purchase card administrator is notified the agency is selected for audit.
- Auditors meet with the administrator to discuss the audit engagement.
- The audit plan and the request for program documentation are completed.
- The auditor conducts internal control interviews, walk-throughs and testing.
- Inherent risks and fraud risks are evaluated.
- Transaction testing is completed.
- All exceptions noted during the audit are placed on an exception document.
- A meeting with the agency purchase card administrator and his or her supervisor is scheduled to go over the exception document. The agency is given the opportunity to provide any missing documents for an agreed upon period after the exception meeting. The period is typically 3 to 5 days.
- After the period has expired, the auditor will determine the exceptions to be included in the formal findings for the agency.
- Formal findings are written and delivered to the agency. The agency has 10 days to provide a management response and corrective action plan for each finding.
- The formal findings, including management responses, are included in an audit report.

14.3 Penalties for Misuse or Abuse of Purchase Card

Agencies that fail to comply with audit requests or fail to take corrective action on reported misuse may be subject to suspension from the P-card program.

Excessive numbers of replacement cards will be investigated by the State P-card Office and/or OMES Procurement Audit with assistance from the issuing bank if needed and may result in a 100% audit of a cardholder's transactions. This may result in a recommendation of cardholder suspension from the program.

APPENDIX A: CONTACT INFORMATION

OMES STATE P-CARD OFFICE

State P-card Administrator

Loretta Caldwell
405-521-6503
loretta.caldwell@omes.ok.gov

Assistant State P-card Administrator

Wednesday Shafer
405-522-1654
wednesday.shafer@omes.ok.gov

State P-card mailbox: pcard@omes.ok.gov (*preferred email address*)

OMES Central Purchasing
Purchase Card Office
2401 N. Lincoln Blvd., Ste. 118
Oklahoma City, OK 73105

ISSUING BANK

Cardholder Customer Service:

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

Fraud Department:

866-500-8262

Contact for State Agency P-card Administrators ONLY:

Jimmy Newman, Treasury Services Sr. Advisor
Email: dedicated_card_west@bankofamerica.com
Phone: 888-715-1000, ext. 20610

Card Registration (required):

<https://spacardportal.works.com/gar/login>
Verification ID is required for card registration.

Payment Center Password Reset:

State P-card Office, 405-522-1654 or pcard@omes.ok.gov
Card Digital Services, 888-715-1000, option 2, then option 4

Card Activation:

Call phone number on sticker on front of card.

Global Card Services & Operations:

carddigitalservices@bofa.com

Lost, Stolen or Compromised P-Cards:

Bank of America 888-449-2273

Works Website:

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

TRAVEL CONTRACT and ONLINE BOOKING TOOL Information & Assistance

Email: omestptravel@omes.ok.gov

APPENDIX B: AUTHORITY ORDER SETUP

P-CARD AUTHORITY ORDERS

Standard AO

<u>Type</u>	<u>PeopleSoft Supplier ID</u>	<u>PeopleSoft Supplier Location</u>
PCAO	0000001101	0002
<u>Account Number</u>	<u>Category Code</u>	<u>Origin</u>
601100	84141602	EXC

IT AO

<u>Type</u>	<u>PeopleSoft Supplier ID</u>	<u>PeopleSoft Supplier Location</u>
PCAO	0000001101	0002
<u>Account Number</u>	<u>Category Code</u>	<u>Origin</u>
601100	43211600 or 43210000	EXC

No. 11 on AO header must be set to NO MATCH.

NO MATCH must also be selected for each line on the schedule tab.

AMOUNT ONLY must be selected.

Set Receiving to OPTIONAL.

Account codes listed as TBD at the time of AO set-up, must be changed to 601100 before transactions can be loaded into People Soft for payment. A budget year reference is also required on each line of the AO.