

# PURCHASE CARD PROGRAM

State of Oklahoma  
and  
Political Subdivisions



# PURCHASE CARDS DEFINED

- Standard credit cards for use by agencies in making lower dollar purchases (\$5,000.00 and under)
- Travel/Lodging credit cards for use by agencies for airfare or lodging (\$5,000.00 and under)
- Statewide credit cards for use by agencies to make purchases from Statewide Contracts (unlimited – Agency sets card limit)

# PURCHASE CARDS DEFINED

- Purchases made by telephone, walk-in, or internet
- Contractor is a bank
- Agency decides to participate or not
- Merchant paid by the bank
- Numerous safeguards
- State liable for payment

# Who Uses P/Cards

- Federal Government
- Industry
- State Governments
- Cities, Counties, School Districts
- Higher Education

# Advantages

- Streamlined process for agencies
- Efficient payment – one check for state agencies
- Prompt payment to merchants
  - Eliminates collection efforts
  - Possible better prices
- Effective controls
- Agency customer like program
- Expands vendors accepting state business

# Examples of Safeguards

- Card design
- Agency appoints cardholders
- Training provided
- Possible limits on each card
  - Single purchase limit
  - Monthly limit
  - Number of transactions limit (day/month)
  - Categories of businesses
- Approving official review

# Safeguards - continued

- Point of sale verification
- Multiple reports available
- Cardholder signs agreement
- Disputed items procedure
- Periodic audits
- Bank “Red Flag” computer software