



State of Oklahoma OMES

SWC 200
State P-Card



What is the P-Card?

- To put it simply, the P-Card is a credit card issued to State employees to purchase goods and services needed for conducting official state business.
 - All transactions are encumbered upfront through an Authority Order in order to meet the prior encumbrance requirement (62 O.S. § 34.62)
- It is a charge card - the merchant receives payment at point of sale
- It is not a debit card - funds do not leave account at point of sale
- It is not the same as a personal credit card – the State of Oklahoma carries no balances and pays no fees or interest
- It is a Corporate liability card meaning the liability rests with the State, not the employee



- The State of Oklahoma P-Card is a Visa Purchasing Card issued by the Bank of America (BOA), corporate liability card
- The BOA P-Card contract is administered by OMES Department of Central Purchasing (SW200)
- There are no fees associated with the program
- Zero liability for unauthorized charges or for lost/stolen cards (Bank must be notified within 24 hours)
- The terms of the Statewide Contract allow Higher Education and Political Subdivisions to participate in the program
- It is the only credit card authorized by the State of Oklahoma

P-Card vs PO

P-Card

- 100% Transparent to the Public via Web Requests
- Limits on Types of Purchases Made
- Rebate
- Small Town/Remote Business Acceptance
- 100% External Continuous Monitoring
- 1 Voucher per Billing Cycle to Bank
- Tracked Fraud & Misuse Data

Purchase Order

- Only through Open Records
- No Limits on Types of Purchases
- No Rebate
- Limited Acceptance
- Limited External Monitoring
- 1 (or more) Voucher(s) per PO
- No Tracking of Fraud & Misuse Data



P.O. vs. P-CARD

P.O. transaction \$91

P-Card transaction \$17

Savings \$74

*Based on the 2012 Purchasing Card Benchmark Survey results by RPMG Research Corporation

** Rounded transaction count; based on average monthly card spend of \$1MM and, per the results, of the 2012 NAPCP poll, average transaction size of \$359 (based on 2,786 transactions).

- Provided to all participants based on
 - Total Dollar Spend
 - Average Transaction Size
 - Speed of Pay
- Divided among participants based on agency spend. The more you spend on the p-card the bigger your rebate check.

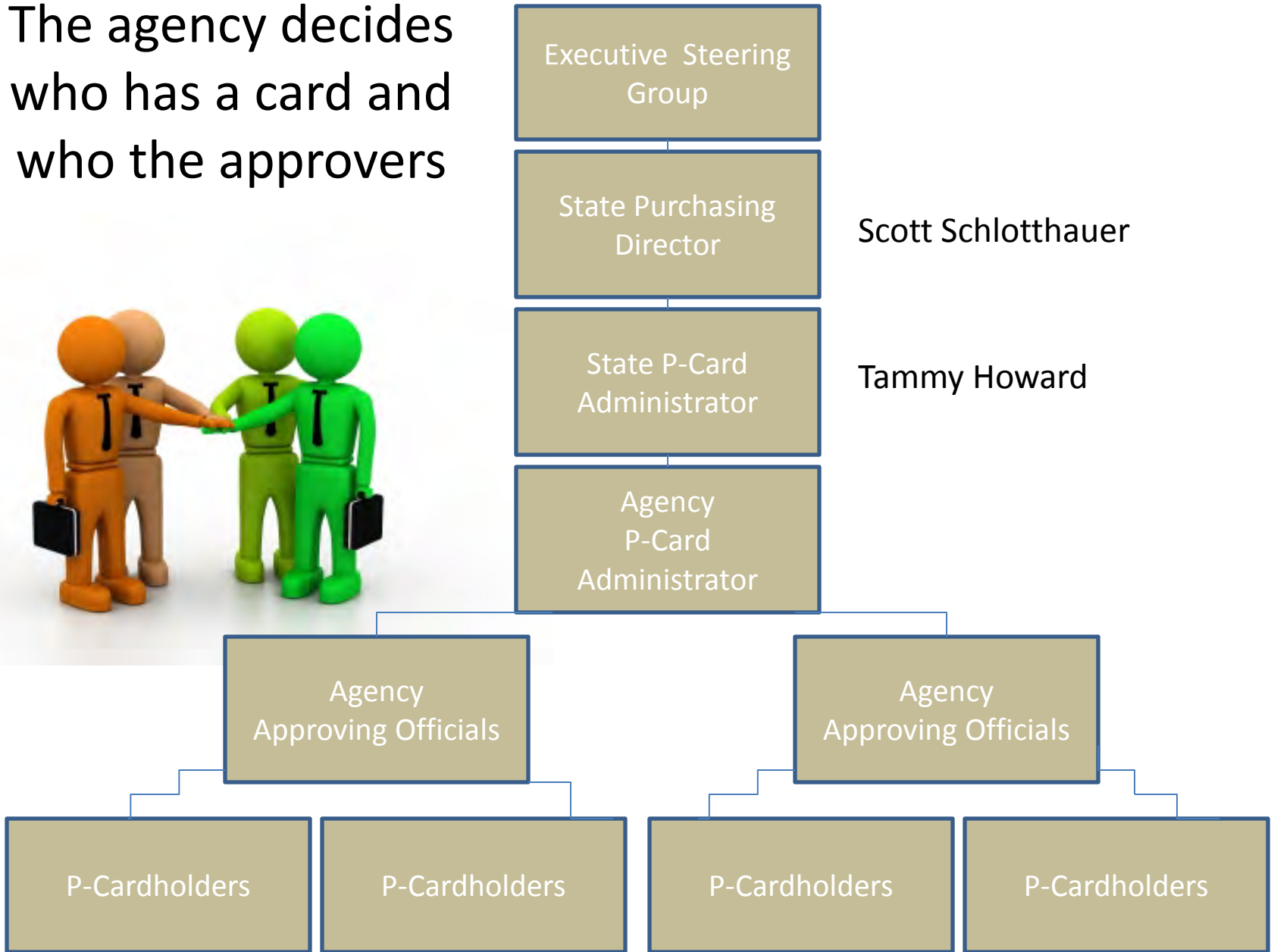


1.53%



**of total spend comes back to you in rebate at the end
of the fiscal year**

The agency decides who has a card and who the approvers



Procedures

- **P-Card Procedures must be included in Entity's Internal Purchasing procedures**
 - **Must designate where P-Card transaction documentation is securely retained**
- **Procedures should be updated every few years.**

Definitions

Cycle – means the period of time between billings; our cycle closing date is the last business day of the month;

Low Dollar Acquisition – means an open market acquisition that is fair and reasonable and does not exceed \$5,000.00;

Merchant Category Code (MCC) – means a standard code the credit card industry uses to categorize merchants based on the type of goods or services provided by the merchant;

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

Definitions

Statewide Contract means a contract issued by OMES for specific acquisitions for a specified period, with a provision allowing the agencies and Political Subdivisions to place orders as acquisitions are needed;

Transaction Documentation means all documents pertaining to a transaction

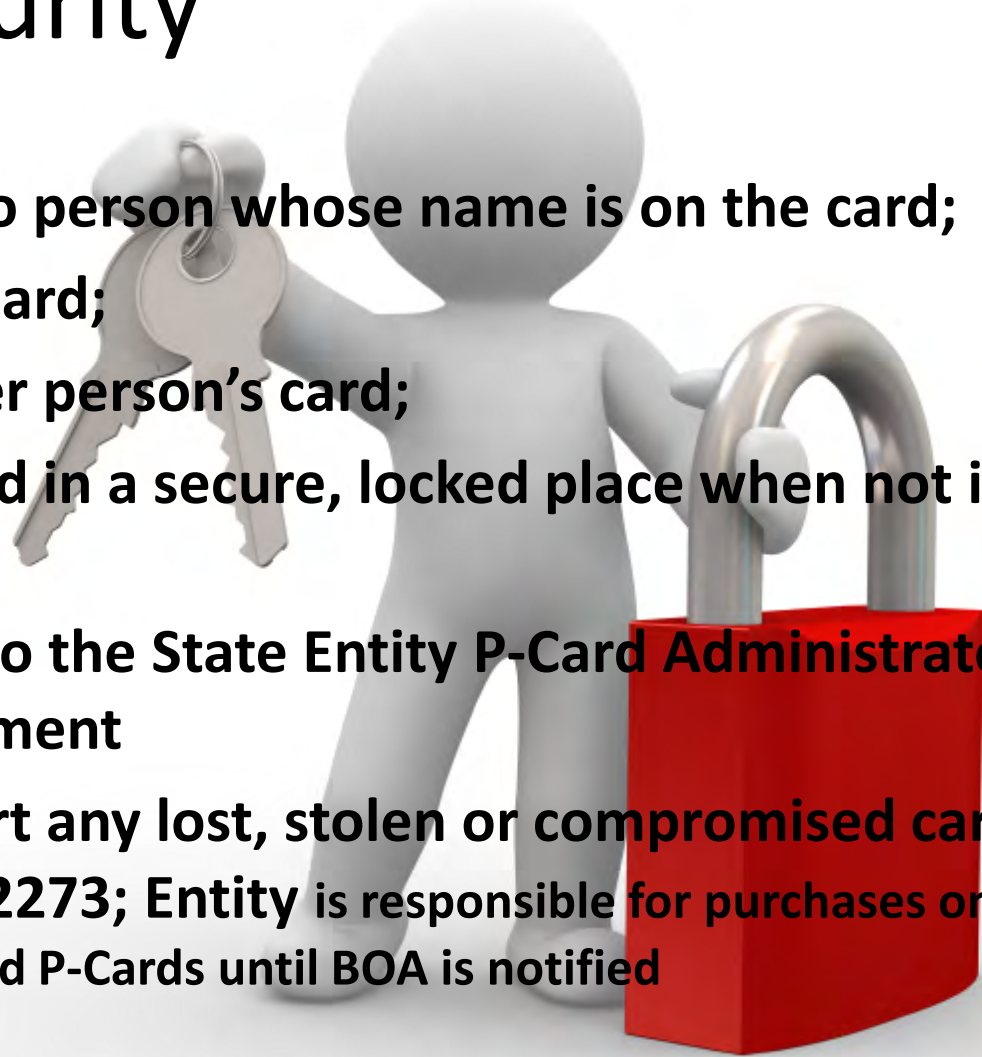
Participants-

Entity P-Card Administrator and Back-ups, Entity Approving Officials and Back-ups (Must be one level above P-Cardholder)

P-Cardholders (Includes Lodging Only P-Cardholders)

Card Security

- **P-Card is limited to person whose name is on the card;**
- **Do not loan your card;**
- **Do not use another person's card;**
- **If possible, file card in a secure, locked place when not in use;**
- **Must return card to the State Entity P-Card Administrator if you leave employment**
- **Immediately report any lost, stolen or compromised cards to BOA at (888) 449-2273; Entity is responsible for purchases on lost, stolen or compromised P-Cards until BOA is notified**





Employee Agreement

- All participants must read and sign the Purchase Card Employee Agreement.
- If participant holds multiple roles, separate agreements must be completed for each role.
- State Entity P-Card Administrator is responsible for completing and maintaining page 2 of the Agreement. This page includes your P-card limit information.
- State Entity P-Card Administrator retains original and provides P-Card participant with a copy.
- **Refresher Training is required every 2 years**, it is now available on Skillsoft



➤ All purchases shall be made in accordance with State statutes, rules, and these Procedures, which include but may not be limited to:

➤ Central Purchasing Act, 74 O.S. § 85.1 et seq.

➤ State Travel Reimbursement Act, 74 O.S. § 500 et seq.

➤ OMES, Central Purchasing Codified Rules, OAC 580:16

➤ Office of Management Enterprise Services (OMES) State Travel Procedures

➤ State Agency Internal Purchasing and P-Card

Card Limits

- **There is no limit on the amount of a P-Card transaction for the following:**
 - **Statewide Contract purchases**
 - **Regulated Utilities**
 - **Interagency Payments**
 - **Professional Services as defined in 18 O.S. § 803**
- **For any other transaction with a state purchase card, the transaction shall not exceed \$5,000.00**



Using the Card

- Purchases can only be made within your Single Transaction Limit and Credit Limit assigned to your card;
- Cardholder is responsible for reconciling all transactions;
- P-Card is not intended to avoid or bypass appropriate purchasing or payment procedures;
- P-Card is not for personal use
- P-Cardholder shall ensure prices paid are fair and reasonable



Methods of Purchase

- **Walk-In;**

- **Telephone;**

- **Internet**

- **Make certain internet site is a secure |
example:**

- “s” on the end of https means it is a secure
 - Lockbox will appear on the site



Prohibited Purchases

- **Split Purchasing;**
- **Entertainment;**
- **Per diem food;**
- **Cash or cash advances;**
- **Purchase of goods or services for personal use or not for official State use;**
- **Any transaction or series of transactions exceeding your P-Card limits;**
- **Motor fuel and automotive general maintenance;**
- **Automatic Drafts (we do not want them to have the card # on file);**
- **Gift Certificates except for employee recognition in §74-4121**

SAMPLE RECEIPT

555 S Anystreet
Austin, TN 78745
555-555-5555

STORE: 0003 REGISTER: 001
CASHIER: KATIE
ASSOCIATE: 0000000

CUSTOMER RECEIPT COPY

ORIGINAL TRANSACTION INFORMATION

STORE : 00032
REGISTER : 001
DATE : 12/31/2005
NUMBER : 5194

259.99

SUBTOTAL 259.99
SALES TAX 21.45
TOTAL 281.44

AMOUNT TENDERED
Visa 281.44

ACCT: *****1234

EXP: *****

APPROVAL: 999999

CARDHOLDER: JANE SMITH

TOTAL PAYMENT 281.44

Transaction: 52858 1/8/2006 2:40 PM

CARDHOLDER SIGNATURE:

Jane Smith

THANK YOU FOR SHOPPING WITH US
WE APPRECIATE YOUR BUSINESS

- Itemized Receipt must be obtained for all purchases
 - Vendor
 - Date of Purchase
 - Description
 - Unit price and quantity
 - Transaction total
- Sign each receipt and include with Statement at end of cycle

Reconciliation – Approving Official

- Approving Official reviews Cardholder's reconciled statement and transaction documentation for:
 - **Accuracy;**
 - **Completeness;**
 - **Appropriateness of the purchase;**
 - **Verifying transactions were conducted according to Statutes, Rules and Procedures**
- To indicate concurrence, Approving Official shall sign and date the statement and forward the statement and documentation for payment

Record Retention

- **Maintain in a central and secure location;**
- **Records include any transaction documentation, such as, statements, receipts, disputes, correspondence, etc.;**
- **Includes documentation in paper or electronic form and must meet:**
 - **OMES Information Security Policies, Procedures & Guidelines**
 - **Oklahoma Archive Commissions Rules**
- **Must be maintained for seven (7) years;**
 - **If audit or litigation occurs, the records are required to be retained for two (2) years after issues are resolved or until the end of the seven (7) year period, whichever is longer**

Audit

All transactions are subject to audit by

**State Auditor and Inspector
OMES- State P-Card
Administrator**



- Detailed transaction documentation supporting P-Card transactions shall be securely retained by the State Entity and made available upon request either in paper or electronic form**
- Entity P-Card Procedures shall designate where P-Card transaction documentation is securely retained**

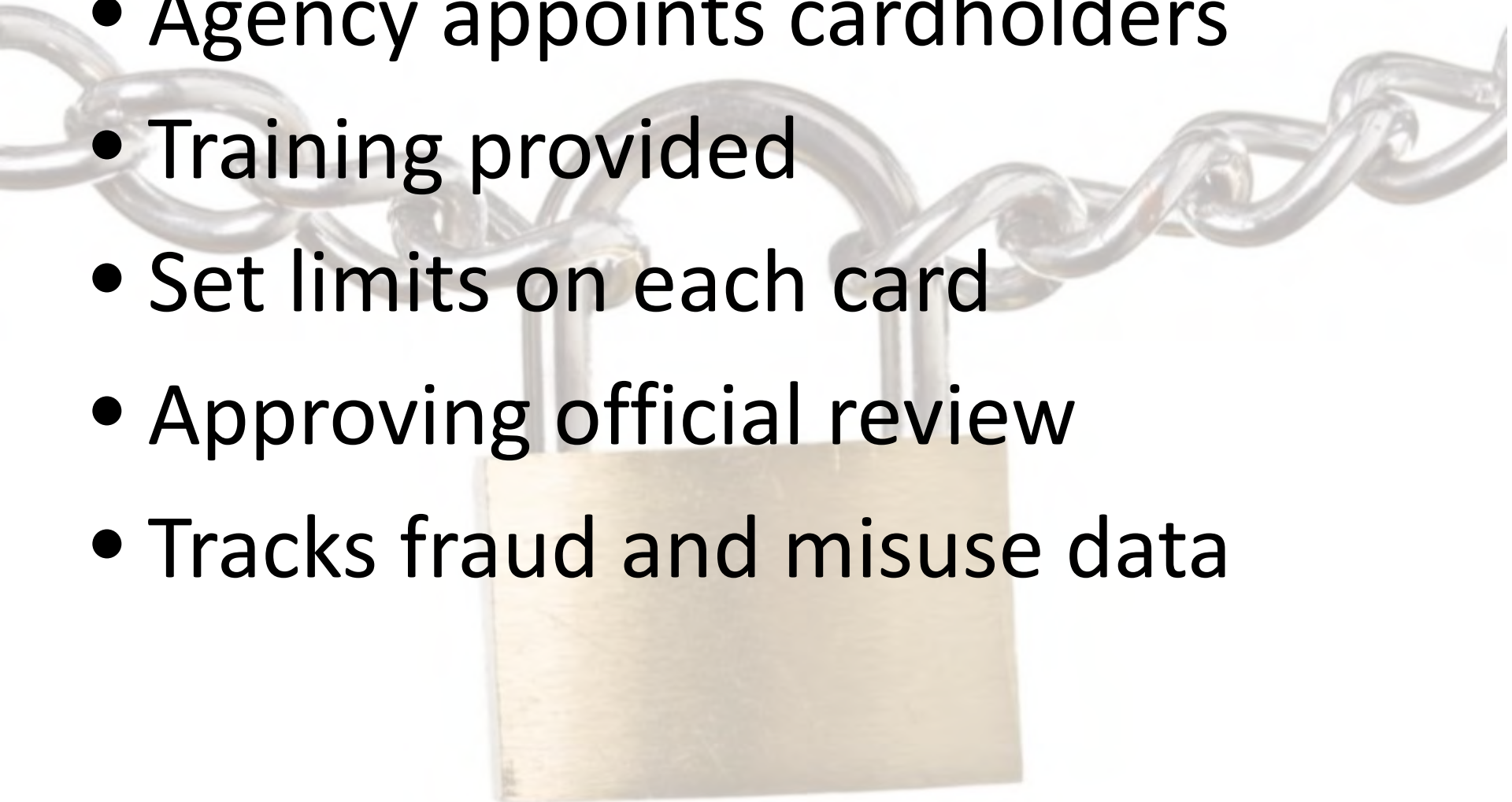
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SAFEGUARDS

- Agency appoints cardholders
- Training provided
- Set limits on each card
- Approving official review
- Tracks fraud and misuse data



What happens if I am gone for a period of time from work?

- The P-card Admin. can put your card in “suspense” \$0.00 while you are away.
- Your p-card transaction log must still be signed and turned in at the end of the month.
- P-card holder is responsible for making sure this is done.



Important!

- The State makes one combined payment to the bank each month
- Late payment or non-payment of P-Card purchases will result in State Entity's P-Cards being frozen or canceled, and may include additional action to obtain the payment and/or interest accrued
- There is tons of information on our website about the program, free training we offer, and deadline schedule



- **State P-Card Team:**

Tammy Howard, CPO

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– **405-522-1654**

Vickie Rivas, CPO

– **Vickie.Rivas@OMES.ok.gov**

– **405-522-4970**

Q & A

You have

Questions

We have

Answers



SWC 100 & 100B


Statutory References

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 - State Purchase Card Procedures
 - Office Management Enterprise Services (OMES) State Travel Procedures
 - State Agency Internal Purchasing and P-Card Procedures

Contracts

- We are currently rebidding these contracts for a one stop online solution.
- Currently 19 travel agents on the contract, you can work with anyone of them (SW100)
- City Pairs- American Airlines (SW100B)



- 
- Airfare and Lodging considered *separate* transactions (\$5,000.00 limit on each)
 - Active State Employees or Officials of the State
 - Non-State Employees (as allowed by STRA) when
 - Performing substantial and necessary services to the State and
 - Directed or approved by appropriate department official
 - Does not apply to Contractors or their agents
 - Must follow the STRA statutes and OMES State Travel Procedures
 - OMES may audit travel documentation (100% audited at this time)
 - Non-compliance may result in loss of P-Card travel privileges and/or additional travel training being required

Travel Purchases – P-Card

➤ **Except for airfare, lodging, taxi, shuttle, parking, & rental car all other travel-related expenses are prohibited on the P-Card, such as:**

- Meals, including room service
 - Hotel Telephone (not business related)
 - Internet (not business related)
- Traveler must pay out of pocket for all other travel related expenses
- Travel Claim may be submitted by the Traveler for reimbursement of travel related purchases prohibited on the P-Card (OMES Reimbursement Form 19)



- **Reservations made by:**
 - **Agency Travel Coordinator**
 - **Card is in Travel Coordinator's name**
 - **Must complete Lodging Letter and send to hotel**
 - **Traveler**
 - **Card is in the Traveler's name**



Reserved

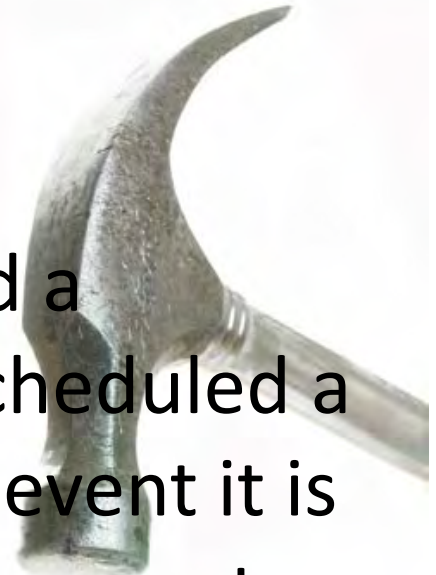
Exceptions



- **Statutory exceptions (74 O.S. § 85.45k(B)) to using SW Travel Agent:**
 - **State agency can acquire air travel at less cost**
 - **Must get a quote from the Travel Agent and keep with transaction documentation**
 - **Air travel originates outside the state and it is impractical for the agency;**
 - **Air travel is due to an emergency and time does not permit use of the contract travel agency;**
 - **Air travel is part of a package arrangement by an organization that schedules a meeting or conference**
- **Reason for the exception must be documented in the Allocation description field in Works**

Travel no-shows

- If an employee is signed up to attend a Conference, stay at a hotel, or has scheduled a flight and does not show up for said event it is up to the employee to payback the money to the agency.
- Please check with your agency's internal purchasing rules



A close-up photograph of a computer keyboard. The central focus is on two keys: a blue key with the word "Questions" in white, italicized font, and a green key with the word "Answers" in white, italicized font. The keys are slightly raised and have rounded edges. Surrounding these keys are several other white keys, including one with a black "C" and another with a black "D". The lighting is bright, creating soft shadows and highlights on the keys' surfaces.

Questions

Answers