

**GEORGIA DEPARTMENT OF COMMUNITY HEALTH**  
**Operations Division, Office of Procurement Services**

# **Purchasing Card Policy and Procedures**

**Commissioner: Clyde Reese**  
**Last Updated: January 17, 2014**

# DCH Purchasing Card Program Policy

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### Document History

#### Document Location


This is an online document. The most current version of this policy is located at the following shared location.

#### Policy Review History

All Operations' policies and procedures must be reviewed at the frequency agreed upon when policy was established.

Review Date	Changes Required (Yes or No)? (If yes, complete "Revision History" section)	Author

Revision #	Revision Date	Summary of Changes	Author

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<b>References:</b>			

## **I. INTRODUCTION**

### **A. Purpose**

The mission of the Office of Procurement Services is to obtain quality goods and services at the lowest possible costs using the highest ethical conduct. The Office of Procurement Services accomplishes this using innovative processes and tools designed to simplify administrative tasks while supporting free and open competition for all qualified vendors. The purpose of this policy and procedure is to provide guidance to all staff authorized to administer the state's Purchasing Card (P-Card) on behalf of their program or division to make purchases of supplies, materials, equipment and services necessary to conduct state business. Furthermore, this policy is intended to ensure compliance with all applicable state laws pertaining to P-Card use as outlined in the Georgia Procurement Manual and the state's P-Card policy.

### **B. Policy Statement**

The P-Card intended to simplify and streamline the purchasing process and lower overall departmental transaction cost. The Purchasing Card Program policy is not intended to avoid or bypass appropriate approval requirements and/or payment procedures. Responsibility for a purchasing card should not be taken lightly. State of Georgia funds are being committed each time that a purchasing card is utilized therefore, cardholders are held accountable for all transactions made to their card(s). Intentional misuse or fraudulent abuse may result in disciplinary action up to and including dismissal.

### **C. Scope**

The Georgia Department of Community Health VISA Purchasing Card Program Policy (DCH Policy) must conform to the standards established in the Georgia Department of Administrative Services (DOAS) Statewide Purchasing Card (P-Card) Program Policy (DOAS Policy) and applies to all employees within DCH who have access to a card. Updates and the official version of the state policy can be found on the official Department of Administrative Services website located at the following location:

**[http://doas.ga.gov/StateLocal/SPD/Docs\\_SPD\\_Cards/PCard\\_Policy.pdf](http://doas.ga.gov/StateLocal/SPD/Docs_SPD_Cards/PCard_Policy.pdf)**

### **D. Program Administration**

The DOAS State Purchasing Division (SPD) administers the program at a statewide level and serves as a state resource for the administration of the program, audit requirements, staff development and account holder training. Within Department of Community Health (DCH) the program is administered by the Division of Operations, Office of Procurement Services (OPS), as well as Financial Services. The OPS administrator of the DCH program is noted below with contact information.

**Steven Russell**  
**Procurement Services Officer**  
**Program Card Administrator**  
**Department of Community Health**  
**2 Peachtree Street, NW, 35<sup>th</sup> Floor**  
**Atlanta, GA 30303**  
[srussell@dch.ga.gov](mailto:srussell@dch.ga.gov)  
**Office: 404-656-4444 Fax: 404-657-0223**

**Note: Issuance of the card is handled within the Department of Financial Services**

## **II. Roles & Responsibilities**

### **A. State Cards Program Manager (DOAS)**

1. Develops the State Purchasing Card Policy
2. Reviews the policy at least annually to ensure that it is keeping with best practices in the purchasing card industry and that it allows participants in the program to utilize P-Card and related accounts to their utmost advantage in the procurement process within legal and policy requirements.
3. Works with other areas of SPD and with other Program users to determine new ways that the P-Card Program can be used within legal and policy requirements.
4. Serves as a central point of contact on all issues of policy and procedures. This position is the official liaison between the Bank and all Program users.
5. Communicates all Program and Policy changes to Program users.
6. Reviews or assigns a designee to review all requests for exceptions to this Policy and decides on the appropriateness of each request.
7. Approves the following policy exceptions:
  - a. Increase in spending limits above State-mandated levels
  - b. Approval to use the P-Card Program to pay for vehicle repairs and maintenance
  - c. Permanent activation of a Merchant Category Code
  - d. Exceptions are coordinated through the local Card Program Administrator and all exceptions must receive prior, written approval from the State Cards Program Manager or his or her designee for each occurrence
8. Develops and maintains statewide Program forms.
9. Collaborates with the DOAS Professional Development unit to develop and maintain statewide training materials and manuals.

## **B. Agency Procurement Officer**

1. Maintains the DCH P-Card Program Policy and Procedures to ensure compliance with, or request exceptions to, State purchasing laws and regulations, the Georgia Procurement Manual, the State Purchasing Card Policy and the DCH.
2. Notifies the State Card Manager of any changes in DCH Program Administrator information utilizing FORM SPD-CC001, Designation of Card Program Administrator. [http://doas.ga.gov/StateLocal/SPD/Docs\\_SPD\\_Cards/SPD-CC001DesignationofPAForm.doc](http://doas.ga.gov/StateLocal/SPD/Docs_SPD_Cards/SPD-CC001DesignationofPAForm.doc)
3. Coordinates any exceptions to the State Purchasing Card Policy with the State Card Program Manager.. Initiates all requests using the Special Approval Request, form SPD-PC003 [http://doas.ga.gov/StateLocal/SPD/Docs\\_SPD\\_Cards/SPD-PC003SpecialApprovalRequest.doc](http://doas.ga.gov/StateLocal/SPD/Docs_SPD_Cards/SPD-PC003SpecialApprovalRequest.doc)

## **C. Office of Financial Services**

1. Maintains file of copies of application forms and cardholder agreements. (Original cardholder agreements are placed in cardholder's personnel file.)
2. Maintains account of over active cards and renewals and close accounts in accordance with established procedures.
3. Accesses Bank of America (BOA) online Payment Manager System, cancels the card and deletes the cardholder's name. The Card Administrator receives an email confirming the cancellation. This email along with the notice from the Approver is attached to the most recent copy of the cardholder's profile, which is placed in the 'Closed Account' file. The card administrator will destroy the card.
4. The P-Card Administrator in Financial Services responsible for opening and canceling accounts is listed below:

Ahmad Abdullah  
Accountant 3  
Financial Management  
GA Department of Community Health  
2 Peachtree Street NW 34th Floor  
Atlanta, GA 30303  
Tel: 404- 657-7117 / Fax: 770-344-3875  
[aagdullah@dch.ga.gov](mailto:aagdullah@dch.ga.gov)

#### **D. DCH P-Card Program Administrator**

The DCH Card Program Administrators manage the program and the contacts between DCH, Bank of America Purchasing Card Program representatives and DOAS. The Card Program Administrators must initially register and report any changes in information with the State Cards Program Manager using official form SPD-CC001 Designation of Card Program Administrator [http://doas.ga.gov/StateLocal/SPD/Docs\\_SPD\\_Cards/SPD-CC001DesignationofPAForm.doc](http://doas.ga.gov/StateLocal/SPD/Docs_SPD_Cards/SPD-CC001DesignationofPAForm.doc)

The responsibilities include, but are not limited to the following:

Process authorized request from division directors for purchasing card;

1. Receive completed request form from cardholder;
2. Verify that a criminal and financial check has been completed;
3. Ensure that signatures have been obtained;
4. Order, receive and distribute the Purchasing Card
5. Develop and conduct training for cardholders and approvers, which covers DOAS State Purchasing Card Policy, DCH P-Card policy and familiarity with forms to be used. P-Card training is mandatory for new cardholders. Advise approvers and cardholders on policies as needed.
6. Work with the Budget Office and division directors to establish and maintain usage controls for each card. Spending limits will be based on job responsibilities of the cardholder and will be reviewed annually by Supervisor/Approver to ensure that actual usage is consistent with spending limits.
7. Work with the Budget Office to establish and maintain accounting codes for each card so that transactions are charged to the correct account.
8. Provide management with periodic listings of cardholders and information related to cardholder usage such as:
  - a. P-Card Active Accounts List
  - b. Cardholder and Approver List
  - c. Spend report – individual card or all cards
  - d. Cardholder profile updates/changes
9. Provide information regarding authorized vendors (including minority vendors) to cardholders.
10. Review Team Georgia Marketplace (TGM) transactions which consist of the following:
  - a. Check for approvals, verify the cardholder, approver on the requisitions and reconciliation.
  - b. Check vendors used (if vendor not familiar) check documentation a little closer.
  - c. Check types of purchases (supplies, membership, registration, etc.).
  - d. Check scanned documentation for purchases listed on the bank statement (packing tickets, store receipts, invoices). The Report is then forwarded to the DCH Accounting Unit.

## **E. Managers and Supervisors**

1. Review DOAS and DCH P-Card Policies and updates to maintain the same for reference when needed.
2. Request P-Card for employees under their supervision.
3. Retrieve P-Card when the cardholder transfers within the department, resigns, or is terminated, and notify the DCH Program Administrator in writing (email is acceptable). The Approver gives the card to the Card Administrator to destroy.
4. Monitor P-Card transactions and card activity to ensure all purchases are for legitimate state business use and internal division/unit use.
5. Ensure adequate budget balances are available to cover any purchases made with the card. The Budget Officer can advise the approver and the cardholder on budget matters before any orders are placed.
6. Perform a detailed review of monthly transactions, the monthly VISA statement and original invoices/receipts to ensure the amounts charged reflect materials actually received, and the type of items purchased are authorized purchases as outlined in the P-Card policy, and to ensure the purchases are needed to conduct DCH business. In addition, ensure State Sales and Use Tax was not charged.
7. Sign and verify the reconciliation and statement indicating approval of all the above requirements.
8. The approver ensures that all supporting documentation is scanned into TGM prior to approval and that each transaction has documentation (Packing tickets, store receipts, invoices, credits that match the purchase) ----- that matches the VISA Statement from Bank of America.
9. The Card Program Administrator will review monthly transaction within TGM and note on the Corporate Monthly VISA Statement which lists each cardholder, their limits, and a list and value of their purchases. If there is an error or omission in the report, the Card Program Administrator contacts the cardholder to make the correction.
10. If assigned employee changes positions, supervisor/manger is responsible for initiating cancellation in writing to Financial Services as indicated in procedure to closed user account.

## **F. Accounts Payable**

The Settlement Contact is the individual designated to receive the official invoice from Bank of America, and make payment against the official invoice. The designated Settlement Contact at DCH is the Accounts Payable Unit.

The duties of the Settlement Contact are as follows:

1. Extract all of the transactions for the statement and balance with the corporate billing statement and make payment through TGM.



2. Verify charges on the official invoice against the extracted information received from the cardholders.
3. Record all P-Card expenditures in the DCH accounting records monthly.
4. Coordinate with cardholders and others involved in the program to resolve disputes.
5. Maintain documents related to P-Card transactions in accordance with the requirements of the Accounts Payable files.

The closing date for all DCH VISA P-Cards is the 15<sup>th</sup> of each month. Cardholders and approvers should complete their reconciliation by the 10th day after the billing cycle closes.

#### **G. Office of Human Resources (OHR)**

1. OHR coordinates the required background and financial check for new employees including prospective cardholders. This action is taken with employees consent as indicated by a signed "Authorization to Conduct Criminal History & Financial Check" for purchasing card is completed. Only one initial background check is required within three years of initial card issuance.
2. The Office of Inspector General actually conducts the requests and forwards completed reports to the Office of Human Resources for further handling.

#### **H. Cardholders Responsibilities**

1. Receive training and instruction about the program and responsibilities associated with use of the card prior to being issued a card.
2. Sign and agree to abide by the terms in the cardholder agreement. The card will be issued only after this agreement has been signed.
3. Keep a copy of the policies and procedures for reference. Revisions and updates will be distributed by the Administrator.
4. Maintain knowledge of State Purchasing Card Policy, internal policies and procedures.
5. Ensure merchants do not charge Sales and Use Tax. If tax is charged, contact merchant to obtain a credit to the card. Credits cannot be obtained by any other method, including but not limited to, cash, gift card, gift certificate or store credit. Documentation of attempts to obtain credit for the tax charged in error must be maintained with the documentation for the transaction where the tax was charged.
6. Ensure all purchases are allowable purchases according to State and internal purchasing card policies.
7. Complete the Purchasing Card Program Lost Receipt/Invoice Affidavit, if the following applies:  
[http://doas.ga.gov/StateLocal/SPD/Docs\\_SPD\\_Cards/Lost%20Receipt%20Affidavit.doc](http://doas.ga.gov/StateLocal/SPD/Docs_SPD_Cards/Lost%20Receipt%20Affidavit.doc)
  - a. You did not receive a detailed receipt/invoice from the vendor
  - b. You are not able to read the receipt

- c. You misplaced the receipt
- d. Order was placed via phone, fax or internet and vendor did not provide invoice.

An occurrence of having lost receipts more than three times within a fiscal year, may result in corrective actions, including card suspension.

8. Obtain "best value" for the State when making purchases with the P-Card.
9. Ensure all purchases made using the card are authorized purchases for official use only. Any unauthorized purchases made by the cardholder will result in disciplinary action up to and including termination of employment. Use of the card for personal purchases will result in disciplinary action, including termination of employment and criminal prosecution. For minor infractions a memorandum will be sent to the P-Card Approver stating the compliance requirements and the corrective actions to remedy the occurrence.
10. Adhere to the limits placed upon the card. The single transaction limit (STL) assigned to each cardholder is firm and includes all extra charges such as shipping, handling, postage, freight, etc. Cardholders who avoid a limit by splitting a large order into two or more orders will be subject to disciplinary action up to and including termination of employment.
11. Maintain security of the account number, expiration date and security code at all times.
12. Reconcile within TGM with information from the Bank's monthly VISA statement, however P-Card holders are encouraged to reconcile their transactions as they become available in TGM.  
Allocate purchases using the division or unit's budget information.  
Ensure packing tickets, receipts, invoices support charges on report and statement.

Monthly report includes the following:

- a. VISA P-Card Statement (from Bank of America)
- b. Purchase requisitions, copy of online purchase or store receipt
- c. Packing ticket, receipt or invoice to match purchase
- d. Purchasing Log

Verify monthly purchases in TGM.

Have Approver review and approve transactions that have been verified.

13. Cardholder should reconcile the monthly statement by the 10<sup>th</sup> day after the Billing Cycle closes. DCH Billing Cycle ends on the 15<sup>th</sup> of each month and the VISA P-Card statements are mailed after that date. If the Reconciliation is not completed by the 10<sup>th</sup> day, the P-Card may be suspended until all transactions are complete.
14. Card Security- The cardholder should observe the following rules with regards to security:
  - a. Use the same level of care as your own personal credit cards.
  - b. Do not lend your card to another person for use. If you are going to be away from your office for an extended period, the division director may need to request a new card be issued to a different person. You are the only person authorized to use the card.
  - c. Maintain security of the account number, expiration date, and security code at all times.

- d. Keep your card in an accessible, but secure, location.
- e. Do not post the card number at your desk or write it in your day planner.
- f. Do not display the card number on any packing slips, labels, or other supporting documentation.
- g. Take all necessary precautions for card number security. (Verify fax / phone number and receipt of fax.)

### **III. USE OF CARD & RESTRICTION**

#### **A. Card Restrictions**

DOAS and DCH P-Card Policies prohibit the issuance of more than one P-Card to a single cardholder. The DCH purchasing card will be issued to full-time state employees ONLY, and it will be issued in the individual's name.

#### **B. Credit Limits**

The established DOAS monthly credit limit for all cardholders is \$25,000.00 and the established single transaction limit is \$5,000; however, DCH cardholders have various monthly credit limits ranging from \$2,500.00 to \$10,000.00 and with single transaction/order limits between \$2,500.00 and \$5,000.00. DCH Card Holders credit limits and (STL) can be increased / decreased upon written approval via email or profile form from the P-Card Administrator.

#### **C. Authorized Purchases**

1. Books (job related)
2. Equipment (job related) up to \$1000.00 for a single item. Equipment purchases executed via Statewide Contract on TGM may exceed the \$1000.00 threshold as Team Georgia Marketplace™ allows for the flagging of purchases for the asset inventory system in PeopleSoft.
3. Facility / Conference Room Rentals
4. Furniture (allowed up to P-Card Holder's STL for vendors that do not accept POs)
5. Office Supplies – general
6. Office Supplies and Materials – single purchase over \$5,000.00 from Statewide Contract (SWC), Agency Contract, or mandatory sources: GA Correctional Industries (GCI), GA Enterprises for Products & Safety (GEPS) or GA Industries for the Blind (GIB). (Needs the approval of the Supervisor and Card Program Administrator)
7. Open Market purchase of supplies and materials (for departmental use) over \$5,000.00 must receive prior written approval from the State Cards Program Manager using the Special Approval Request, form SPD-PC003.
  - (a) Purchase has been competitively bid using eSource, the Georgia Procurement Registry, or other electronic solicitation tools;
  - (b) Program participants have prior, written approval from the local Program Administrator, his/her supervisor, and the State Cards Program Manager using form SPD-PC003, Purchasing Card Special Approval Request, to exceed the State Single Transaction Limit (STL); and
  - (c) Documentation must include a reference to the solicitation
8. Membership Dues (job related)
9. Printing under \$2,500 (Use DOAS Rapid Copy when possible)

10. Registration for conference, seminar, training (job related)
11. Videos under \$2500 (job related)
12. Repairs not covered under a maintenance contract.

**D. Prohibited Purchases (Via P-Card)** No exceptions will be granted unless otherwise indicated.

1. Alcoholic Beverages
2. Appliances (refrigerators, microwaves)\*
3. Airline Tickets \*
5. Cash Advances Employee Travel (meals, lodging, car rental, airline tickets, parking, etc.)
6. Entertainment Costs – tickets, tours, etc.
7. Equipment that costs over \$1000 and not purchased through TGM \*
8. Firearms or Explosives \*
9. Flowers
10. Fuel, repairs and maintenance of state-owned or rental vehicles \*
11. Gift Cards
12. Holiday Decorations and Cards
13. Maintenance Agreements \*
14. Meals / Food (Exception :See Statewide Travel Regulations – Group Meals) (In Addition you must get authorization from the P-Card Administrator **prior** to making the purchase)
15. Personal Purchases
16. Professional Services as defined in O.C.G.A. 17-7-2(2) \*
17. Sole Source/Sole Brand purchases \*
18. Vehicle Rental – (Contact DOAS Fleet Management.) \*
19. Memberships and/or fees to wholesale shopping clubs or “warehouse” type retailers

**( \*) These items can be purchased through the PO or Travel Policy process as applicable**

**IV. Compliance Guidelines**

**A. Prohibit Personal use of Card**

At no time can the DCH P-Card be used for personal purchases or as personal identification regardless of the circumstances. Cardholders, program users, cardholders or supervisors/approving officials who knowingly, or through willful neglect, fail to comply with the following may be subject to suspension or termination of account privileges or other disciplinary action, up to and including termination from state employment and possible criminal prosecution to the fullest extent of the law.

**B. Failure to Comply with Laws, Policies and Procedures**

The Official Code of Georgia (O.C.G.A), 50-5-80; states that any cardholder who knowingly uses the P-Card for personal purchases under \$500 is guilty of a misdemeanor. A cardholder who knowingly uses the card for personal purchases of \$500 or more is guilty of a felony punishable by one to 20 years in prison. Supervisors or other

approving officials who knowingly, or through willful neglect, approve personal or fraudulent purchases are subject to the same disciplinary actions as the cardholders.

### **C. Infractions and Disciplinary Action**

All infractions will be documented and investigated. For minor infractions, card holders can be given a written warning, retraining on P-Card usage and their immediate supervisor/approver will be notified. Major infractions will be documented and depending on the severity, the P-Card will be suspended until the matter is investigated. The outcome will be communicated to the employee and the employee's supervisor/approver. Any repeat infractions will result in the P-Card account being suspended immediately.

### **D. Reporting of Misuse or Fraudulent Activity**

Any employee of DCH who has knowledge of misuse or fraudulent activity involving the purchasing card or who suspects misuse or fraud should report this to the DCH Inspector General and the DCH Ethics officer. Supervisors and approvers are responsible for reporting such misuse or fraudulent activity and for forwarding any such report received from a member of their staff to the Inspector General and DCH Ethics Officer. Supervisors and approvers should ensure that employees under their supervision are aware of and comply with the ethical standards and policies of the department.

### **E. Cardholder Criminal Background and Financial Check**

O.C.G.A.50-5-83(b)(12) requires a criminal background check and financial check on each employee issued a P-Card after July 1, 2008.

A criminal background check and financial check must be conducted on all prospective cardholders prior to initial issuance of a P-Card. The procedures for new cardholders will be concomitant with those of existing cardholders starting with completion of the Cardholder Profile Request form which is forwarded to the Card Program Administrator. Only one initial background check is required. If a new P-Card designee has completed a qualifying DCH criminal and financial background investigation upon hire that is less than three years old, that check will serve as a qualifying event.

The Financial Services Director will verify that a criminal and financial background check has been completed on the employee prior to approving the request for a purchasing card.

If any background check of a perspective new cardholder reveals any misdemeanors or felonies related to financial wrongdoing, theft, or other acts of dishonesty, the employee is not eligible to receive a P-Card.

## **V. PROCEDURES**

### **A. Opening the Purchasing Card Account**

The following procedures should be followed when opening a P-Card account:

1. The director of each division will designate the person(s) who they would like to have a VISA P-Card within that division.
2. A written request (email) to open an account will be submitted to the DCH Purchasing Card Program Administrator.
3. The Administrator will have the designated individual complete the following forms:
  - a. Cardholder Profile Request Form
  - b. Cardholder Purchasing Card Agreement
  - c. Authorization to Conduct Criminal History & Financial Background Check
  - d. Fair Credit reporting Act

NOTE: All forms are located on the 'O' drive under "FORMS/Purchasing/Procurement Forms/ DCH P-Card application forms-2"

#### **B. Closing Individual P-Card Account (to include termination of employment)**

The following procedures should be followed when closing a cardholder's account:

1. The Administrator should receive formal notice in writing from the Approver to cancel the card and participation in the Purchasing Card program either by fax or email.
2. The actual P-Card for the cardholder should be retrieved by the Approver and given to the Card Administrator. The Card Administrator will completely destroy the card by cutting it up. A confirmation email will be sent to the P-Card Administrator from Works and to the former cardholder and his/her supervisor.

#### **C. Renewing Individual P-Card Account**

P-Card holders are required to fill out the card renewal request prior to the expiration of their current P-Card. Failure to follow the policy will result in the P-Card being suspended until this procedure is followed. A criminal background/financial check is only required upon initial issuance of the P-Card and is not required for renewal.

#### **D. Training: P-Card Holders and Approvers**

The Purchasing Card Program Administrator is required to obtain training provided by DOAS' Professional Development Division. This training may be in person or in a format approved by the DOAS State Purchasing Division.

The cardholder must attend the E-Pro Requestor and P-Card training provided by DOAS' Professional Development Division and the DCH Administrator prior to receiving a purchasing card. It is strongly recommended the approver attend this training as well.

The Administrator may establish and conduct re-fresher training classes on an annual basis to reinforce DOAS and DCH P-Card policies and procedures.

The P-Card applicant must complete the following courses and provide the

certificate acknowledging completion with the P-Card application forms:

1. Introduction To Purchasing Card Principles
2. eProcurement For Requestors
3. Purchasing Card ([TGM100W](#)) & test [TGM100T](#)

The P-Card applicant's approver must also provide the certificate reflecting completion of the following classes:

1. eProcurement For Approvers
2. Purchasing Card ([TGM100W](#)) & test [TGM100T](#)

To enroll and complete a class, log into the DOAS Training site at:

<http://doas.ga.gov/Training/Pages/Login.aspx>

If you do not have login and password IDs then you must contact DOAS Training at:

[training@doas.ga.gov](mailto:training@doas.ga.gov)

Upon receipt of the card and during training conducted by the Administrator, the cardholder will be required to sign for the card and complete, sign, and obtain approver's signature and date on the Cardholder Purchasing Card Agreement.

[http://doas.ga.gov/StateLocal/SPD/Docs\\_SPD\\_Cards/P-Card%20Cardholder%20Agreement.doc](http://doas.ga.gov/StateLocal/SPD/Docs_SPD_Cards/P-Card%20Cardholder%20Agreement.doc)

The original form is placed in the cardholder's personnel file in the Office of Human Resources and a copy is maintained in Financial Services.

#### **E. Appropriate Use of the Card**

Requestors should maintain a record of the confirmation of their approval to make the purchase (verbal or written), and verification of chart field codes to be associated with the purchase. Budget availability may be confirmed in advance if necessary; otherwise, it is the shared responsibility of the Approver and Requestor.

The P-Card log sample is stored on the common drive (O:\FORMS\Purchasing)

The P-Card may be used with any vendor who accepts the card. Orders may be placed by phone, in person, by mail or fax.

All approved DCH business purchases made with the purchasing card and paid with state funds are exempt from Sales Tax (Refer to State of Georgia Sales and Use Tax Certificate of Exemption). Advise the vendor that the purchase is for "OFFICIAL STATE BUSINESS" and therefore is not subject to State or Local Sales Tax. Submit the exemption form to the vendor if requested

[http://doas.ga.gov/StateLocal/SPD/Seven/Seven%20Stages%20Documents/Excise\\_Tax\\_Exemption\\_Certificate.doc](http://doas.ga.gov/StateLocal/SPD/Seven/Seven%20Stages%20Documents/Excise_Tax_Exemption_Certificate.doc)

Use the following address format for deliveries:  
Cardholder Name  
Department Name  
Division Name, Room # Complete Street Address  
City, State, Zip Code

Once a purchase is made, the charge is transmitted electronically to the bank, and once it is received by the bank, an automatic email notice is sent to the cardholder. Upon receiving this email, the cardholder should access their transactions through the TGM's on-line program in order to reconcile the transactions. In addition to monitoring purchasing totals and funds available, the cardholder can use the program to verify the accuracy of the vendor's information and charges.

Upon receiving the order, the cardholder should check for accuracy, deliver to the end user, and have that person sign and date the packing slip or invoice indicating all goods have been received and are acceptable.

The cardholder should keep track of all paperwork pertaining to the purchases (i.e., charge slips, invoices, packing slips, or other shipping documents). In order to ensure that state audit requirements are being met, the cardholders must obtain adequate documentation from the vendor.

NOTE: If a charge slip (or packing slip) is not received with the order, the cardholder should request one immediately. Do not wait until the monthly statement is received to request one. This will delay report reconciliation.

Bank of America will mail each cardholder a Billing Statement within five (5) days after the billing cycle closing date. The cycle closes on the 15th day of each month. The Billing Statement should be included with the report that is sent to the Administrator within ten (10) work days (or sooner) of receipt of the statement.

Each cardholder will access TGM online and verify the purchases to match the transactions and totals on the Billing Statement. The cardholder verifies the transactions and ensures that all documents are scanned and attached to the correct purchase before going to the approver.

VISA's merchant regulations mandate that merchants delay the invoicing and processing of a transaction until the purchased merchandise has been shipped. Cardholders should only pay for items that have been received and are acceptable. If a cardholder receives a statement that lists a transaction for merchandise that has not been received, the cardholder should contact the vendor to correct the situation.

#### **F. Lost, Stolen or Damaged Card:**

1. If the card is lost or stolen, it is the cardholder's responsibility to notify Bank of America immediately at 1-888-449-2273 (24 hours a day) to cancel the card. Notification should also be given to the DCH Administrator at 404/463-3859. This notice should be followed with an email explaining what happened with copy to the Division Director. The Administrator will contact Bank of America to verify cancellation of the card. A new card profile form should be completed and approved to have a replacement card issued. The Card Program Administrator will order a new card.



2. If the card is damaged, the cardholder should contact the Card Program Administrator and give the damaged card to the Administrator. The Card Administrator will:
  - a. Access **Works** online to order a replacement card for the cardholder.
  - b. Cut up the damaged card.
  - c. Receive the replacement card and notify the cardholder. Cardholder will sign and date a copy of the form attached to the card before they receive replacement the card.  
(The form is attached to cardholder profile form in purchasing file).

## G. Disputed Items

1. If there is a problem or a defect with an item purchased with the P-Card, the cardholder should first try to reach a resolution with the vendor that provided the item. In most cases, disputes can be resolved directly between the cardholder and the vendor. The cardholder should always ask the vendor for a return authorization number to place on the box or package if item has been authorized to return from vendor
2. All credits should be applied to the specific cardholder's account and should appear on the monthly billing statement. If the error is on the part of the cardholder, DCH may be required to pay restocking fees.
3. If the dispute is not settled between the cardholder and the vendor, cardholder should notify the Card Program Administrator of the dispute. The cardholder must complete the PURCHASING CARD CLAIMS STATEMENT OF DISPUTED ITEM. ([http://doas.ga.gov/StateLocal/SPD/Docs\\_SPD\\_Cards/BOA%20DISPUTE%20FORM.doc](http://doas.ga.gov/StateLocal/SPD/Docs_SPD_Cards/BOA%20DISPUTE%20FORM.doc)), and fax it to Bank of America. This process can be handled by the cardholder with the Card Program Administrator's assistance. The bank will send written confirmation of receipt of the dispute and will advise the cardholder of the actions to take. The cardholder will receive correspondence regarding resolution of the dispute. Disputes by the cardholder and/or the Card Program Administrator must be made within 60 (Sixty) days after receipt of the VISA P-Card Statement from Bank of America.

**NOTE: Special note about 'Sales and Use Tax': Should you have a dispute with a vendor because sales tax was applied, the bank will not charge the sales tax back to the vendor and credit your account. A sales tax disputes can only be resolved with the vendor by getting them to issue a credit.**

4. **Billing Errors.** If there is an error on the billing statement, the cardholder should determine if it is a bank error or an incorrect charge made by the vendor (check the invoice or quote from your vendor). If it is a bank error, call the bank customer service number on the statement for resolution. If resolution was not reached by phone, the cardholder should complete the PURCHASING CARD CLAIMS STATEMENT OF DISPUTED ITEM.

Any billed items determined to be incorrect should be handled in accordance with the procedures for defective merchandise above. No deduction will be made on incorrect charges or disputed items when they first appear on the billing statement. Any adjustments (if required) will appear on the subsequent billing statement once the bank determines a resolution of the disputed item. The cardholder should retain copies of all receipts and memo statements for future reference and/or as an aid in resolving disputed items or errors.

## **VI. RECORDS RETENTION REQUIREMENTS**

The Office of the Secretary of State maintains the official Records Retention Schedule for the State of Georgia. This information is available on their web site at [www.sos.georgia.gov](http://www.sos.georgia.gov) by searching for Records Retention Schedule.

- A. Documents related to transactions are accounting records and must be maintained according to the requirements of Accounts Payable Files.
- B. Documents related to the issuance of cards to employees are accounting records and must be maintained according to the requirements of Credit Card Administration Records.

## **VII. Compliance Monitoring**

To ensure compliance with state P-Card policies and best practices, DCH will monitor the Purchasing Card activities utilizing the DCH's Compliance Checklist at least once per year. This measure will be tracked monthly using an audit log and checklist. Items to be included in the audit include but are not limited to the following:

1. Timeliness of reconciliation (due within 10 days of statement close date)
2. Signatures of Approvers
3. Documentation of receipt of purchases
4. Appropriate documentation maintained in on P-Card log