

**CENTRAL STATE HOSPITAL
POLICY**

SUBJECT: **PURCHASING CARD**

ANNUAL REVIEW MONTH: June

RESPONSIBLE FOR REVIEW: Financial Services Director

REVIEW MONTH: July 2009

I. POLICY

- A. **PURPOSE:** To establish a standard system for utilization of the Purchasing Card as issued to individual employees, for business use only, by the Department of Behavioral Health and Developmental Disabilities (DBHDD).
- B. **APPLICABILITY:** Employees of DBHDD to whom VISA Purchasing Cards are issued.
- C. **POLICY STATEMENT:** The use of the Purchasing Card shall be for one time purchases on an as needed basis to accomplish routine daily work tasks. The Purchasing Card shall be issued to individuals responsible for such purchases. Each employee using the Purchasing Card shall be given training on use and restrictions applied by the Department of Administrative Services (DOAS). **Card Use is for Official State Business.** All purchases made with the purchasing card must be for official State of Georgia Business. Cardholders are designated as State purchasing agents. Accordingly, all cardholders should familiarize themselves with the provisions of O.C.G.A. § 45-10-1 et.seq. regarding State Employee Code of Ethics and Conflicts of Interest. Any misuse of the Card shall result in immediate adverse action up to and including dismissal. Each cardholder shall sign a statement required by DBHDD and DOAS as an official agreement for use of the Purchasing Card. A copy of the agreement shall be filed in the cardholder's official personnel file. Responsibilities and expectations relating to the Purchasing Card shall be included in the cardholder's PMF.
- D. **DISCUSSION:** N/A

II. PROCEDURE

RESPONSIBILITY

ACTION

**Materials Management
Director**

1. Shall receive names of recommended cardholder from the Service Chiefs/Department Heads, Budget/Business

person and the Procurement Officer. Shall notify the Materials Management Director in writing of employees authorized to be cardholders.

2. Shall obtain cardholder's Social Security number, budget organization number, address, phone number, and reporting hierarchy.
3. Shall mail the appropriate completed form to CEO. The CEO shall sign and forward to the DBHDD Purchasing Office.
4. Shall ensure cardholder signs the VISA purchasing cardholder agreement (CSH – 1001-A) and receives formal training on the Visa Purchasing Card Manual prior to receiving a purchasing card.
5. Shall ensure cards are issued to the cardholders.
6. The original cardholder agreements shall be maintained by the DBHDD Purchasing Card Coordinator. Copies shall be placed in the employee's personnel file and in the Materials Management Director's Office.

Cardholder

1. Is responsible for the security of his/her card. Shall not loan his/her card to anyone else under any circumstances.
2. Once the need for an immediate purchase has been established, the Cardholder shall verify that the item is not available from the warehouse asset account nor mandatory source. The cardholder must also check to see whether or not the item can be purchased from state or agency contracts. The credit card may be used for contract and mandatory source purchases if the vendor will accept the VISA. If the vendor will not accept the credit card, the regular purchase process of using a Purchase Order must be followed. Statewide contract information may be accessed through the Internet on the DOAS Procurement Home Page "www.doas.state.ga.us." Some agency contracts and agency field term contracts are available on the Procurement Home Page, however is not all encompassing.

Note: Items obtainable through the hospital inventory asset accounts MAY NOT be

purchased with the VISA purchasing card. Questions should be immediately addressed with the Procurement Officer.

- 3 Shall not purchase any single item costing more than \$999.99. Note: Any one item costing over \$1000.00 or more must be charged to the equipment budget and price approved by the Finance Office. The VISA card may be used for purchases of equipment items (except computer hardware and software) costing between \$100 and \$999.99.

Prohibited Purchases:

Even if the following purchases are for State government business purposes, the purchases cannot be made with the purchasing card:

- 1 Cash Advances;
- 2 Lodging, Transportation, and Meals (unless qualifies as a group meal.
- 3 Entertainment;
- 4 Alcohol;
- 5 Motor Vehicle Fuel, Repairs, and Maintenance;
- 6 Professional Services (Doctors, Lawyers);
- 7 Gift Cards;
- 8 Food, unless the purchase qualifies as a “group meal” according to the State Accounting Office Group Meal Policy.

Note: The Chief Executive Office must give prior authority for the procurement of All office supplies.

4. Shall obtain Prior Approval utilizing the prior approval form to making any VISA purchasing card purchase.
5. When placing phone orders or placing any orders that must be shipped, shall give vendor clear shipping and billing instructions. The “ship to” and “bill to” addresses must be the name and address of the cardholder, not the general receiving warehouse. The general receiving warehouse will not know what has been ordered with the purchasing card. *It is recommended that the card holder clarify with the vendor BEFORE placing the order that a receipt, invoice, or packing slip shall be faxed immediately to the cardholder or shall accompany the shipment. We MUST have some type of LEGIBLE receipt.*
6. Shall ensure that credit card purchases represent the most

economical purchases. Continue to obtain the best pricing as you would if using the PO system.

7. Shall ensure that minority vendors are used as much as possible.
8. Shall ensure all medical equipment has Medical Product Evaluation Committee request form approved.

Procurement Officer

Shall provide all cardholder updated listings of state/agency contracts, mandatory purchasing listings, and any other instructions or restrictions.

Financial Services

Shall conduct ongoing periodic audits of credit card purchases using the Accounting Department file or copies provided by the cardholder to ensure purchasing regulations are being followed.

Cardholder

1. Shall proceed to make purchase with Purchasing Card in accordance with DBHDD Visa Purchasing Manual.
2. Shall inform merchant that the purchase is for official State of Georgia purposes and is not subject to state or local sales tax. *Should the merchant mistakenly charge tax, IT IS THE CARD HOLDERS RESPONSIBILITY TO OBTAIN THE TAX CREDIT.* If the merchant does not accept Visa, contact the Procurement Office. (The Procurement Office shall notify the DBHDD Purchasing Card Coordinator and an attempt shall be made to enroll the merchant.) Cardholder will provide merchant with a copy of State of Georgia Department of Revenue Sales and Use Tax Certificate of Exemption certificate.
3. Cardholder shall log purchases on the DBHDD Purchasing Card Log (CSH – 1001-B) at the time of purchase and attach receipts to the monthly memo statement. Organization numbers and account numbers must be listed correctly on the activity log. Receipts/invoices must match exactly with the activity log and the statement. Credits must be listed on the activity log. Indicate the total monthly purchases on the bottom of the activity log.
4. Will reconcile VISA statement in the E-Procurement, Procurement Card Center.

Note: The receipt should show the quantity, description and price of the items purchased. This

document may be the customer copy of the charge slip for over the counter purchases or the packing slip or other shipping document for purchases made by telephone.

4. Responsible for following existing state and department regulations concerning purchasing of supplies and materials. Any question should be addressed with facility procurement staff. Please note: The Chief Executive Office must give prior authority for the procurement of All office supplies.
5. Shall immediately turn in purchasing card when job changes or separation from employment occurs or upon request of Supervisor.
6. Shall date stamp monthly statement as soon as it is received.
7. Shall review the monthly memo statement the day it is received and ensure the package is submitted to the Accounting Department within 24 hours. All items posted should be compared to and checked off on the DBHDD Purchasing Card Log; attach appropriate receipts. *Do not include purchases on the VISA Purchasing Card Activity Log that are not billed on the monthly statement. These purchases must be carried over to the next month's activity log. Do not turn in receipts for purchases not billed on current monthly statement.* Disputed items shall be handled in accordance to the Visa Purchasing Card Manual. A purchasing card claims statement of disputed item must be completed and submitted with the reconciliation statement.
8. Cardholder must secure and control card at all times to include protecting card data and never allowing someone else to use the purchasing card. Violation of this control is automatic card cancellation.

Department Head/Service Director/ Supervisor

1. Shall review and approve the monthly memo statement, purchasing card log, and receipts package.
2. Shall sign PMF Revision for VISA Credit Card Holder CSH – 1001-C and forward to the Materials Management Director.

Cardholder/Department Head/Supervisor

1. Shall hand deliver the reconciled statement with appropriate receipts to the Hospital Financial Services Department after reconciling statement in E-Procurement, P-Card Center.

P-Card Approvers

1. Review reconciliation statement and approve purchases in E-Procurement, P-Card Center.

NOTE: IF THE BILL IS NOT PAID IN FULL (EXCEPT FOR PROPERLY DISPUTED ITEMS) WHEN DUE, ALL DBHDD VISA PURCHASING CARDS SHALL BE DESIGNATED AS PAST DUE AND ALL DBHDD CARD USAGE SHALL BE SUSPENDED. CARDHOLDER AND SUPERVISOR MUST MAKE CERTAIN THAT TRAINED BACKUP PERSONNEL ARE AVAILABLE TO PROCESS THE MONTHLY STATEMENTS IF THE CARDHOLDER AND SUPERVISOR ARE ABSENT FROM THE OFFICE.

A LOST OR STOLEN CARD SHOULD BE REPORTED IMMEDIATELY BY THE CARDHOLDER TO BANK OF AMERICA CARD SERVICES CUSTOMER SERVICE AT 1-888-449-2273. LOST CARDS REPORTED BY TELEPHONE ARE BLOCKED IMMEDIATELY. THE CARDHOLDER MUST NOTIFY HIS/HER SUPERVISOR IMMEDIATELY. THE SUPERVISOR OR CARDHOLDER MUST IMMEDIATELY NOTIFY THE MATERIALS MANAGEMENT DIRECTOR. THE MATERIALS MANAGEMENT DIRECTOR SHALL IMMEDIATELY NOTIFY THE DBHDD PURCHASING CARD COORDINATOR. AN INCIDENT REPORT WILL BE COMPLETED BY CARDHOLDER WITH A COPY PROVIDED TO THE SUPERVISOR/APPROVER AND MATERIALS MANAGEMENT DIRECTOR.

Financial Services

1. Shall complete Accounts Payable documents.
2. Shall mail and/or fax forms and all supporting documents to the Office of Financial Services, 2 Peachtree Street, NW, Room 27.402, Atlanta, GA 30303-3142.
3. This procedure must be completed by Hospital Financial Services within three days of receipt by cardholder of the monthly memo statement.
4. Shall alert the appropriate Procurement Officer of any purchasing issues noted, ie, repetitive purchases that might be more economical to distribute through the general warehouse, such as purchases being made by cardholder that could be combined for more buying power.

NOTE: THE DBHDD PURCHASING CARD COORDINATOR IN ATLANTA AUDITS ALL PURCHASES AND MONTHLY STATEMENTS. IF PROBLEMS ARE ENCOUNTERED WHILE PROCESSING PAYMENT, THE FIRST NOTICE SHALL BE SENT TO THE CARDHOLDER. THE SECOND NOTICE SHALL BE SENT TO THE CARDHOLDER'S SUPERVISOR, AND IF A THIRD NOTICE IS NECESSARY, THE DBHDD DIVISION DIRECTOR SHALL BE NOTIFIED.

III. REFERENCES: DBHDD VISA Purchasing Card Manual (9/23/97)

Approved:

This policy has been approved by the CEO and CMO in September 2009.

ATTACHMENTS:

Attachment 1: CSH 1001-A (DBHDD VISA Purchasing Card Holder Agreement)

Attachment 2: CSH 1001-B (2/99): (Visa Purchasing Card Activity Log)

Attachment 3: CSH 1001-C (PMF Revision for VISA Credit Card Holder)

Department of Behavior Health and Developmental Disabilities VISA Purchasing Card Cardholder Agreement

I, _____, agree to the following regarding my use of the State of
(Print your Name)

Georgia Visa Purchasing Card I am issued:

1. I understand that I am being entrusted with this card and shall be making financial commitments on behalf of the State of Georgia, and the Department of Behavioral Health and Developmental Disabilities (DBHDD) and shall strive to obtain the best value for the state.
2. I understand that under no circumstances shall I use the Visa Purchasing Card to make personal purchases, either for myself or for others. Willful intent to use the Visa Purchasing Card for personal gain shall result in disciplinary action up to and including termination of employment.
3. I shall follow the established procedures for using my Visa Purchasing Card. Failure to do so may result in either revocation of my use privileges or disciplinary action. Additionally, I shall follow all of DBHDD's and the State of Georgia's purchasing requirements.
4. I have been given a copy of the Visa Purchasing Card Manual and understand the requirements for using the Visa Purchasing Card Program.
5. I agree that if I change positions and/or work title within the Department of Behavioral Health and Developmental Disabilities or terminate my employment with the DBHDD I shall immediately turn my Visa Purchasing Card in to the DBHDD Purchasing Card Program Coordinator.

Employee Signature

Date

DBHDD Purchasing Card Coordinator Copy

VISA PURCHASING CARD
ACTIVITY LOG

Name:

Reviewed by:

Order Date	Supplier/Contact/Phone/ Address	Quantity/Description/ Organization/SCOA	Cost (Refund)	Disputed Items	Delivery Date
TOTAL					

TO:

FROM: Materials Management Director

SUBJECT: PMF Revision for Visa Credit Card Holder

DATE:

_____ became a **VISA credit card holder** on _____. It is very important that the **PMF Plan is revised** to reflect related responsibilities and expectations. Training was provided prior to the issuance of the credit card. Please refer to CSH Policy 3.12 Purchasing Card.

The following are the required responsibility and expectations:

Use State of Georgia VISA Purchasing Card to make financial commitments on behalf of the State of Georgia, Department of Behavioral Health and Developmental Disabilities.

- 1. Follows the established policy and procedures for use of the credit card while obtaining the best value and verifying that the item(s) are not available from the General Warehouse, state/agency contract, or mandatory source. Makes credit card purchases ensuring that all guidelines are followed.**
- 2. Reconciles monthly statement by verification of sales, charge slips, and credit card log sheet within the allotted time period of 24 hours after receipt of the monthly statement.**
- 3. Ensures supervisor or backup knows where the files are kept so that reconciliation of the monthly statement shall not be delayed in case of my absence.**

**NOTE: "Met" and "Did Not Meet" are the only possible ratings.
Please sign below indicating that the PMF Plan has been revised.**

The PMF Plan for _____ has been revised to reflect the VISA credit card responsibility and expectations.

Signature _____ Date

PLEASE FORWARD TO MATERIALS MANAGEMENT DIRECTOR

CSH 1001-C