POLICY OF STATE OF DELAWARE DEPARTMENT OF CORRECTION	POLICY NUMBER 8.58	PAGE NUMBER 1 of 7
	RELATED STANDARDS: State of Delaware Budget and Accounting Policy Manual, Chapter 11 and 12	
CHAPTER: 8 Administration	**SUBJECT:** Department of Correction Procurement Card (PCard) Policy	
APPROVED BY THE COMMISSIONER:	5/16/2014	
EFFECTIVE DATE:		
APPROVED FOR PUBLIC RELEASE:		

I. AUTHORITY: 29 Del C. 5112, 29 Del C. 6504, Del C. 6505

II. PURPOSE: To establish internal controls and procedures for Department of Correction (DOC) employees issued the PCard and managing the PCard program. The purpose is to ensure compliance with the State Procurement Card guidelines detailed in the State of Delaware Budget and Accounting Policy Manual, Chapter 12.

III. APPLICABILITY: All Department employees.

IV. DEFINITIONS:

PCard – State procurement card issued to DOC employees for making State authorized purchases and travel arrangements.

Cardholder – State employee assigned a PCard.

Budget Unit Reconciler –fiscal contact in the Budget Unit who actively manages the cardholders for their unit(s) and ensures transactions are reconciled in First State Financials (FSF) by the monthly deadline.

Agency Coordinator – fiscal contact in the Central Business Office (CBO) who actively manages the PCard program by developing internal control procedures and approving PCard applications and change request forms. Acts as the point of contact for issues arising with the PCard and cardholder.

Agency Back-up Coordinator – fiscal contact in CBO who serves as the Agency Coordinator in his/her absence and is responsible for preparing the Department's monthly PCard reconciliation report for submission to the Division of Accounting (DOA) and the quarterly spend analysis.

PaymentNet – a web-based application that provides on-line card administration, cardholder transaction data and reports.

First State Financials (FSF) – State of Delaware accounting system.

PCard Application – State required form utilized to request a PCard for a new cardholder. The PCard application also assigns various roles to employees requiring access to PaymentNet for cardholder management. The form requires the approval signatures of the cardholder, Commissioner and Agency Coordinator and is submitted to the DOA for processing.

PCard Change Request form – State required form utilized to request a modification to an existing cardholder's profile in PaymentNet. The form requires the approval signatures of the cardholder, Commissioner and Agency Coordinator and is submitted to the DOA for processing.

Cardholder Agreements – State and Department required forms that serve as a binding agreement between the cardholder, State and Department. The Agreements outline the employee's responsibilities as a State PCard holder.

V. POLICY:

To ensure compliance with the State Procurement Card (PCard) guidelines detailed in the State of Delaware Budget and Accounting Policy Manual. This policy establishes Departmental parameters for employees issued a PCard and coordinators. The PCard shall only be used for Department authorized purchases.. Department employees involved or enrolled in the PCard program must review and adhere to the guidelines set forth in the policy as well as State and Department policies governing travel and purchasing procedures.

The PCard shall not be used to charge expenses for family members or others accompanying the employee on official State business, ***even if the intention is to reimburse the State.*** A cardholder who intentionally makes unauthorized purchases or accidently uses the PCard is liable for the total dollar amount of the unauthorized purchase(s), plus any administrative fees charged by JP Morgan Chase (JPMC) Bank in connection with the misuse. Failure to adhere to this may result in removal of the PCard privileges and disciplinary action up to and including dismissal.

VI. PROCEDURES: The following are procedures for DOC employees issued a PCard or managing the Department's PCard program. Employees are responsible for reviewing and adhering to the procedures outlined in this policy to ensure full compliance.

A. Application of PCard

1. **Cardholder:** State employee must complete the PCard application (**Exhibit A**), sign in the "Employee" field of Section VII and obtain Supervisor's signature anywhere in the bottom left corner of the application. Applications submitted to the Agency/Back-up Coordinator by 12:00 PM on Fridays will be processed on Monday by the DOA. The PCard usually arrives at CBO within 5-7 business days after the order is placed.

2. **Agency/Back-up Coordinator:** Reviews the PCard application for accuracy, signs in the "Coordinator/Back-up Coordinator" field of Section VII and submits to Commissioner for "Agency Head/Director" approval in Section VII. Once the PCard application includes all three (3) required signatures, the Agency/Back-up Coordinator submits the application by email to the DOA.

B. Training Requirements

1. **Cardholder:** Prior to receiving the PCard, all new cardholders must attend the PCard training session offered by CBO. The training session includes guidance and a review of the Department's required expectations and the cardholder will be provided with a reference manual.

2. **Agency/Back-up Coordinator:** Must ensure up-to-date training and reference material is provided to new cardholders, prior to issuing the PCard.

C. Activation of PCard

1. **Cardholder:** After receipt of the PCard, the cardholder must activate the PCard by calling the number listed on the sticker attached to the front of the PCard. When prompted, the cardholder must input the last 4-digits of his/her Social Security Number as their PIN. The activation of the PCard must be completed within 10 days from the date the Department received the PCard; otherwise, it will be placed in Null status. Null status is the act of temporarily deactivating the PCard and requires the Department to submit a request for activation to the DOA.

2. **Agency/Back-up Coordinator:** Performs a review of DOC cardholder account status in PaymentNet to ensure PCards are activated timely. The Agency/Back-up Coordinator will follow-up with the cardholder, if necessary, to request activation.

D. Card Security

1. **Cardholder:** The PCard is embossed with the cardholder's name and must **only** be used by the cardholder. The cardholder is responsible for all charges to the PCard and must maintain the PCard in a secure location at all times. The PCard must only be used for Department authorized purchases. Unauthorized use may result in removal of PCard privileges and disciplinary action up to and including dismissal.

2. **Agency/Back-up Coordinator:** The Agency/Back-up Coordinator will maintain PCards in a secure location until distributed to the cardholder.

E. PaymentNet

1. **Cardholder:** The cardholder is provided view only access to their account profile in PaymentNet. The cardholder is encouraged to view their account at least weekly to validate transactions and account status.

2. **Budget Unit Reconciler:** The Budget Unit Reconciler is provided view only access to cardholders assigned to their Budget Unit. The Budget Unit Reconciler accesses PaymentNet to monitor cardholder accounts and print Transaction Detail reports to include with the reconciled invoices submitted to CBO.

3. **Agency/Back-up Coordinator:** The Agency/Back-up Coordinator is assigned the "Auditor" role and provided view only access to all DOC account profiles in PaymentNet. The accounts must be closely monitored for account status, credit limits and acceptable use compliance.

F. Internal Controls

The Agency/Back-up Coordinator is responsible for developing the Department's Internal Control Procedures and Policies for the management of the PCard program.

G. Authorized Use

1. **Travel:** The PCard must be used for all travel related expenses, unless the PCard is not accepted by the vendor as a method of payment. (**See DOC Travel Policy 8.52**).

2. **General Purchase:** The PCard must be used for all Department purchases, unless the PCard is not accepted by the vendor as a method of payment. All PCard transactions must comply with both State and Department accounting procedures, policies and purchasing laws. (**See DOC Purchasing Manual**).

H. Unauthorized Use

Prohibited PCard purchases include, but are not limited to personal purchases, alcoholic beverages and movie rentals.

I. Receipt Requirements

All PCard transactions, including travel require itemized receipts and must be retained as proof of purchase. Itemized receipts must be provided to the designated Budget Unit Reconciler immediately. An affidavit is not an acceptable substitute for an itemized receipt and **will not** be accepted as sufficient supporting documentation. ***Transactions without an itemized receipt will require State reimbursement.***

J. Credit Limit Adjustments

1. **Cardholder:** The cardholder is assigned a monthly credit limit and is responsible for tracking monthly expenses to avoid credit declines. Credit limit adjustments may be requested in writing to the Department's PCard Agency/Back-up Coordinator. (Please note: when making a credit limit adjustment request, three (3) approval signatures are required on the PCard Change Request form and may take a week or more in processing time.)

2. **Agency/Back-up Coordinator:** The Agency/Back-up Coordinator will process credit limit adjustment requests by completing a PCard Change Request form, obtaining approval signatures and submitting the form to DOA. In addition to processing adjustment requests from the cardholder or Budget Unit Reconciler, the Agency/Back-up Coordinator also conducts a quarterly spend analysis of all cardholders. Credit limit or account profile adjustment are processed as needed.

K. Transaction Dispute

1. **Cardholder:** If a transaction posts to the PCard and is found to be fraudulent or in error, the cardholder attempts to resolve the issue directly with the merchant first. If the merchant is unresponsive by the end of the PCard billing cycle, the transaction must be considered for dispute. The cardholder or Budget Unit Reconciler must complete the DOC Transaction Dispute form **(Exhibit B)** and follow the DOC Job Aide, titled "How to Dispute a PCard Transaction", to flag the transaction in FSF, "In Dispute". The completed Transaction Dispute form must be sent to the Agency/Back-up Coordinator for processing.

2. **Budget Unit Reconciler:** The Budget Unit Reconciler will assist in the dispute resolution process. The Budget Unit Reconciler must flag the transaction in FSF as In Dispute", and ensure the Transaction Dispute form is submitted to the Agency/Back-up Coordinator within one week.

3. **Agency/Back-up Coordinator:** The Agency/Back-up Coordinator will utilize the information provided on the DOC Transaction Dispute form to prepare the DOA PCard Change Request form. The PCard Change Request form will be sent to the cardholder for signature and then the Agency/Back-up Coordinator will submit the form to DOA as an official dispute report.

L. Lost/Stolen PCard

1. **Cardholder:** The cardholder must immediately notify JPMC Bank at 1-800-270-7760 and the Agency Coordinator at 302-857-5263. JPMC Bank will close the current account and issue a new PCard with a different account number. The replacement PCard is sent to the Agency/Back-up Coordinator within 3-5 business days for distribution.

2. **Agency/Back-up Coordinator:** The Agency/Back-up Coordinator will receive the new replacement PCard from JPMC Bank, ensure distribution to the cardholder and obtain the cardholder's signature for receipt verification.

M. Reconciliation

1. **Cardholder:** The cardholder is responsible for submitting itemized receipts to the Budget Unit Reconciler immediately after making a purchase with the PCard and upon return from travel. The cardholder should refer to the PCard schedule provided by CBO for important deadlines for PCard use and non-use, unless on approved State travel.

2. **Budget Unit Reconciler:** The Budget Unit Reconciler must reconcile all transactions in FSF weekly (at a minimum) and forward required supporting documentation to CBO for approval. The Budget Unit Reconciler should refer to the PCard schedule provided by CBO for important monthly deadlines.

3. **Agency/Back-up Coordinator:** The Agency/Back-up Coordinator is responsible for ensuring PCard transactions are reconciled within 30 days from the end of the billing cycle and submission of the Department's monthly reconciliation report to DOA.

N. Separation/Transfer

1. **Cardholder:** The cardholder must surrender the PCard and all receipts to the Budget Unit Reconciler prior to separation from State employment or transferring to another State agency.

2. **Budget Unit Reconciler:** The Budget Unit Reconciler must reconcile pending transactions in FSF for the departing cardholder and send the PCard to the Agency/Back-up Coordinator with a request, in writing, to close the account.

3. **Agency/Back-up Coordinator:** The Agency/Back-up Coordinator will close the account by completing a PCard Change Request form, obtaining approval signatures and submitting the form to DOA.

EXHIBIT B

Department of Correction

Transaction Dispute Form

If a transaction posted to your PCard account in error, you must first make an attempt to resolve the issue directly with the merchant. However, if the merchant is unresponsive by the end of the PCard billing cycle or if the transaction is fraudulent, please complete this form and submit to the Department of Correction Agency PCard Coordinator in the Central Business Office.

Cardholder's Name:	
Cardholder's Email Address:	
Today's Date:	
Last 4-Digits of Card Number:	
Merchant's Name:	
Dispute Amount:	
Transaction Date:	
Dispute Reason:	

EXHIBIT A

STATE OF DELAWARE
P Card Enrollment Request

*Required

I. *Type of Request: Send form to: p.card@state.de.us

☒ New Cardholder ☒ Cardholder Access ☐ Replace Current Card ☐ No Card
☐ Commercial Card Statement to Cardholder Address (*Complete Section IV) ☐ Assign Auditor Access
☐ Assign Organization Coordinator (*Requires Chief Fiscal Officer's Signature) ☐ Assign BACK UP Organization Coordinator

II. *Type of Profile

☐ Travel AMT: _____ STL: _____
☐ Purchase (Includes Travel) AMT: _____ STL: _____
☐ International USE AMT: _____

III. *Cardholder and Organization Information

Change				
☐	*Cardholder Name:	*Employee ID:	Employee SS (Last 4 digits):	Employee DOB: / /
☐	*Email Address:			
☐	*Organization Address Line 1: Department of Correction - A/P		Organization Address Line 2: 245 McKee Road	
☐	*Organization City: Dover	*State: DE	*Zip Code: 19904	*Telephone Number: (302) 857-5263 Ext.	Fax Number: (302) 739-8222
	Cardholder Name on Card:			Card Number (Last 4 digits):

IV. Default Distribution

GL Unit	*Bud Ref	*Fund	*Dept	Oper Unit	*Approp	*Account	Program	Sch Code	PC Bus Unit	Project	Activity	Source Type	Category
STATE						56000							

V. For COMMERCIAL CARD STATEMENTS sent to Cardholders Address

☐	Cardholder Name for Statement to Be Sent to Home Address:				
☐	Address Line 1:		Address Line 2:		
☐	City:	State:	Zip Code:	Telephone Number: ( )	Fax Number: ( )

VI. Cardholder Agreement

1. The undersigned parties hereby certify that the applicant is an employee of the referenced Organization within the State of Delaware and request that a State of Delaware VISA CARD account be established in the name of the employee.
2. **The Cardholder agrees to use this card ONLY for State of Delaware approved purchases and travel and agrees NOT TO CHARGE PERSONAL PURCHASES.**
3. The Cardholder understands that the Division of Accounting and/or the Auditor of Accounts will audit the use of this card and take appropriate action on any discrepancies or misuse. The use of this card to make personal or unauthorized purchases is grounds for discipline up to and including termination of employment in accordance with the State of Delaware Merit Rules and the Delaware Code. The Cardholder is personally liable to reimburse the State in full, including any interest or penalty, for any personal unauthorized purchases in addition to any discipline which may be imposed.
4. If the VISA CARD is lost or stolen, the Cardholder must immediately notify JPMC Bank at their Customer Service number 1-800-270-7760 and must also notify the Organization Coordinator or Back-up Coordinator.

VII. Signatures – ACTUAL SIGNATURES REQUIRED. STAMPED SIGNATURES WILL NOT BE ACCEPTED.

*Employee	*Agency Head/Director	*FSF Coordinator/Back-up Coordinator
*Signature	*Signature	*Signature
	Robert M Coupe	Kimberly Girantino
*Print Name	*Print Name	*Print Name
		*User ID: BADMKLT
*Date: / /	*Date: / /	*Date: / /
*Phone: ( ) Ext.	*Phone: (302) 857-5234 Ext.	*Phone: (302) 857-5263 Ext.