



**OREGON YOUTH AUTHORITY**  
**Policy Statement**  
**Part I – Administrative Services**



*Subject*

**Use of State Purchase Card (SPOTS Card) and State Corporate Travel Card**

*Section – Policy Number:*

**B: Financial Management – 2.1**

*Supersedes:*

**I-B-2.1 (6/09)**

*Effective Date:*

**03/28/2011**

*Date of Last*

*Review/Revision:*

**None**

**Related Standards and References:**

- [ORS Chapter 279A](#) (Public Contracting – General Provisions)
- [ORS Chapter 279B](#) (Public Contracting – Procurement)
- [ORS Chapter 279C](#) (Public Contracting – Public Improvements and Related Contracts)
- [OAR Chapter 125 Division 55](#) (State Purchasing)
- [OAR Chapter 125 Division 246](#) (General Provisions for Public Contracting)
- [OAR Chapter 125 Division 247](#) (Public Procurement of Supplies and Services)
- Department of Administrative Services (DAS), Oregon Accounting Manual (OAM): 55.30.00 PO ([SPOTS Card Program](#))  
40.20.00 PO ([Travel Advances and Corporate Travel Card](#))
- DAS Client Agency Policies & Operations Manual: SCS-90-020 ([State Purchase Card Use](#))
- OYA Policy: [I-B-2.0](#) (Delegation for Expenditures & Payment Obligation Approval)
- DAS forms: [75.40.03.FO](#) (Corporate Travel Card Agreement)  
[75.55.02.FO](#) (Small Purchase Order Transaction System (SPOTS) Purchase Card Application and Agreement)
- [Classification of Visa Review Findings and Action Plan](#)

**Related Procedures:**

- None

**Interpretation:**

Business Services

**Approved:**

Colette S. Peters, Director

**I. PURPOSE:**

This policy provides general standards for OYA staff when obtaining and using state purchase (SPOTS cards) or travel cards.

## II. POLICY DEFINITIONS:

**Activity Log:** List of credit card transaction information generated from a bank's Online System.

**Application:** OYA's Small Purchase Order Transaction System (SPOTS) Card Application and Agreement.

**Cardholder:** OYA staff to whom a SPOTS card is issued.

**Online system:** A bank's web-based system to manage credit card accounts.

**SPOTS (Small Purchase Order Transaction System) card:** A state-sponsored credit card that agencies may use to procure goods and services.

**SPOTS Coordinator:** Agency staff member appointed by the Approving Officer to update cardholder information on the bank's Web-based system, change cardholders' spending limits, and monitor card activities delegated to them by the Approving Officer.

## III. POLICY:

OYA maximizes flexibility for agency small purchases, minimizes administrative costs, and expedites payments to OYA suppliers. Staff must follow the general standards listed in this policy when obtaining and using state purchase (SPOTS card) or travel cards.

## IV. GENERAL STANDARDS:

### A. SPOTS Card and Travel Card Purpose

1. Staff may obtain a SPOTS card for all purchases of goods and trade services less than \$5,000.
  - a) Purchase cards acquired through the state's contract must be the preferred method for making small purchases.  
  
Use of petty cash funds, purchase orders, and other methods for small purchases must be minimized.
  - b) Higher purchase limits may be given to selected staff who have demonstrated a business need upon management's request and the OYA Accounting Manager's approval.
2. Staff may obtain a state corporate travel card for state-related travel costs if the staff travels frequently. Staff may obtain a travel card rather than a cash advance from the state. Refer to DAS statewide policy OAM 40.20.00 (Travel Advances and Corporate Travel Card).

## B. Obtaining a SPOTS Card

1. Staff must request a SPOTS card from the appropriate supervisor/manager and obtain an application from Central Accounting.

An assistant director, the Deputy Director, or OYA Director must review the application and if in agreement with issuance of a SPOTS card, approve by signing the application. The application must be forwarded to Central Accounting to process.

2. The SPOTS Coordinator will train SPOTS card users on allowable uses and recordkeeping requirements prior to issuing the cards.
3. The SPOTS Coordinator will review applications for completeness and accuracy and forward the applications to OYA's Approving Officer for authorization and signature.

## C. Cardholder Responsibilities and SPOTS Card Use

1. Cardholders are subject to policies and guidelines described in the SPOTS card application, the corporate charge card acknowledgement form, state purchasing rules, Oregon Accounting Manual (OAM), and related training administered by Central Accounting.
2. Staff may only use SPOTS cards for authorized purchases that further the business of the state.
3. Documentation of SPOTS Card Purchases:

Cardholders must:

- a) Sufficiently document each purchase.
  - (1) Ensure timely and accurate coding for each purchase is entered in Online System no later than the 20th day of the month following the date of the monthly bank statement.
  - (2) Obtain the supervisor's initials on the activity log beside each purchase indicating review of purchase documentation and approval of each purchase after the purchase is made.
  - (3) Reconcile the activity log to the statement and other supporting documentation, ensuring all transactions on the statement are recorded on the activity log, and documenting any discrepancies.

- (4) Submit the activity log, statement, and supporting documents to Central Accounting by the end of the month following the statement date.
- b) Ensure the card is secure and controlled by the cardholder at all times, including after hours, while unattended, or not in the cardholder's possession.
- c) Participate in training administered by the SPOTS Coordinator at least every other year after obtaining a SPOTS card, or as requested by the cardholder's supervisor/manager or the Accounting Manager.
- d) Obtain written approval from a requesting manager that has been delegated purchasing authority prior to purchasing outside the cardholder's scope of authority.
- e) Immediately notify the bank and Central Accounting if a SPOTS card is lost or stolen.
- f) Return the card to Central Accounting if cancelling the card. The cardholder must include the date of last transaction and submit final documentation to Central Accounting as described above (section IV.C.3.a).
- g) Forfeit the SPOTS card upon termination from OYA employment, The cardholder must also submit documentation to Central Accounting of final purchases as described above (section IV.C.3.a).

#### D. Supervisor Responsibilities

The cardholder's supervisor must:

1. Complete related training administered by Central Accounting prior to approving SPOTS card transactions and at least every other year thereafter.
2. When the supervisor has delegated purchasing authority, review the cardholder's transactions as follows:
  - a) Review each transaction for appropriateness, accuracy, and fraud, and follow up as appropriate;
  - b) Ensure all transactions on the SPOTS card monthly statement are reconciled to and recorded on the Activity Log and the totals match; and

- c) Review each transaction on the cardholder's Activity Log. Document approval of appropriate purchases by initialing beside each purchase.
3. Assign work in a way to ensure the following roles and responsibilities are not performed by the same staff member:
  - a) Purchaser - performed by the cardholder;
  - b) Receiver – independently reviews and verifies the purchased items or services were received; and
  - c) Management approval.
4. Upon first knowledge of cardholder termination from OYA:
  - a) Notify the SPOTS Coordinator of the cardholder's termination;
  - b) Ensure the cardholder returns the card to Central Accounting and submits the final documentation as described above (section IV.C.3.a).
5. Immediately report all cases of actual or suspected fraud, abuse, or misuse to the Accounting Manager.

E. Monthly Payment and Reconciliation

1. Central Accounting staff will make weekly payments for transactions posted by the bank during the previous week. The payments will be coded to a clearing account until they are transferred monthly to a proper accounting code as indicated in the online system.
2. Central Accounting staff will reconcile monthly memo statements with weekly payments and monthly transfers.

F. Inappropriate SPOTS Card Use

1. Inappropriate SPOTS card actions, as defined in OAM policy 10.40.00, may result in disciplinary action including dismissal, forfeiture of the card, and personal liability.
2. Inappropriate actions include, but are not limited to:
  - a) Any intentional personal use or a pattern of unintentional use. Personal use is defined in the application;
  - b) Disregard for SPOTS card agreement guidelines, purchasing rules, or cardholder responsibilities as described in

section IV.C. (Cardholder Responsibilities and SPOTS Card Use) above.

- c) Fragmentation - When a purchase is artificially divided or fragmented so as to qualify as a small procurement or eligible for purchase through a SPOTS card; and
  - d) Unauthorized use as described in the [Classification of Visa Review Findings and Action Plan](#), the card application and agreement;
  - e) A pattern of missing documentation; or
  - f) A pattern of late submission coding or documents.
3. Cardholders must reimburse the state for inappropriate purchases. Central Accounting will initiate collection of reimbursement from staff and the staff's assistant director will initiate appropriate personnel actions.

#### G. SPOTS Card Compliance Review

- 1. Central Accounting staff will perform periodic reviews of supporting documentation for accuracy, completeness, and compliance with related policies and procedures. Central Accounting staff will notify the cardholder and cardholder's supervisor of non-compliance issues.
- 2. Central Accounting staff will maintain a list of lodging expenditures and verify SPOTS card purchases against other payment methods to avoid duplicate payments.
- 3. Central Accounting staff will develop a corrective action plan or follow-up action plan in collaboration with the cardholder's supervisor and assistant director, as needed.

The cardholder's failure to meet the objectives of a corrective action plan or follow-up action plan may result in suspension or forfeiture of the SPOTS card.

#### V. LOCAL OPERATING PROTOCOL REQUIRED: NO