



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 (6/13)
I-B-2.1 (3/11)
I-B-2.1 (6/09)

Effective Date:

02/25/2015

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 Purchase 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](#)

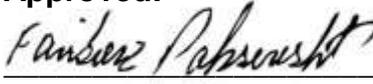
Related Procedures:

- None

Policy Owner:

Chief Financial Officer

Approved:


 Fariborz Pakseresht, 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 State P-Card of Oregon Transaction System (SPOTS) Card Application and Agreement.

Approving Officer: Agency staff member appointed by the agency head or person with delegated authority to act as administrator of the agency SPOTS program, and authorize SPOTS card issuance and usage.

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

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

SPOTS (State P-Card of Oregon 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 Approving Officer's approval.
2. Staff may obtain a state corporate travel card for state-related travel costs (except for lodging) if the staff travels frequently. Staff may

obtain a travel card rather than a cash advance from the state. Refer to Department of Administrative Services (DAS) statewide policy OAM 40.20.00 (Travel Advances and Corporate Travel Card).

3. Staff who are cardholders must have position descriptions that describe cardholder responsibilities.

Requests to have cardholders who do not have cardholder responsibilities described in their positions descriptions may only be approved as an exception.

B. Program Administration

1. To reduce the potential for duplicate payments, a single established method of payment is preferred.

- a) All lodging must be paid with a SPOTS card.
- b) Purchase orders and personal reimbursement for lodging will be processed on an exception basis.

2. Credit limits

Monthly and per purchase credit limits may be established based on anticipated business need.

- a) Changes to limits may be approved either temporarily or permanently by the cardholder's supervisor and Approving Officer based on justified need.

Increases above \$50,000 require DAS approval.

- b) The SPOTS Coordinator or designee will conduct periodic reviews of credit limits to determine if adjustments are necessary based on actual spending.

3. Exceptions

- a) Exceptions to this policy must comply with Oregon Accounting Manual (OAM) 55.30.00 SPOTS Purchase Card Program, have written justification, and prior approval from the cardholder's supervisor or assistant director, and Approving Officer.

- b) Exceptions to OAM 55.30.00 SPOTS Purchase Card Program must have written prior approval by DAS Financial Business Services.

4. Inactive or infrequently used accounts

Accounts must be reviewed quarterly by SPOTS Coordinator for lack of use and determined if there is a continued need.

5. Emergency card

Emergency response card(s) may be issued as part of the emergency preparedness plan to the OYA director as deemed appropriate by the agency.

C. Obtaining a SPOTS Card

1. Staff must request a SPOTS card from the appropriate supervisor/manager and complete an OYA SPOTS application.

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 the SPOTS Coordinator to process.

2. The authorized cardholder will complete applicable DAS-approved OYA SPOTS training on allowable uses and recordkeeping requirements prior to receiving the card.
3. The SPOTS Coordinator will review applications for completeness and accuracy and forward the applications to OYA's Approving Officer for authorization and signature.

D. 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 Financial Services.
2. Staff may only use SPOTS cards for authorized purchases that further the business of the state.
3. Cardholders may not use the SPOTS card for personal purchases or for personal gain.
4. Prior to acceptance of online or other terms and conditions, cardholders must contact agency procurement staff.
5. Authorized cardholders who have completed required training related to the procurement of lodging may purchase lodging on a SPOTS Card. Authorization is granted at the request of the supervisor and approval of the Approving Officer.
 - a) Cardholders may not procure meals or other personal lodging expenses.

- b) Cardholders may not procure their own travel accommodations.
 - c) Staff may not approve their own travel expenses.
 - d) Lodging expenses must be substantiated within 60 days after the travel expense is paid or incurred to avoid having the costs added to the W-2 as taxable wages.
6. Authorized cardholders will be granted access by the SPOTS Coordinator to their individual cardholder accounts in the online system.
7. Cardholders must monitor account activity periodically for appropriateness and accuracy, including recurring charges.
8. 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 cardholder's supervisor's approval on the Activity Log indicating review of purchase and documentation. If the supervisor does not have expenditure authority for the purchase, the manager with the expenditure authority must approve a detailed invoice or other purchase documentation.
 - (3) Lodging purchases must be documented within 60 days of the travel. Documentation must consist of a detailed receipt from the hotel documenting the stay and signed by the traveler attesting to the receipt of services.
 - (4) The Cardholder must indicate on the SPOTS Log if a lodging purchase is included in the SPOTS Log.
 - (5) Obtain independent verification that the product or service was received by the agency.
 - (6) Reconcile the activity log to the statement and other supporting documentation and sign the statement, ensuring all transactions on the statement are recorded on the activity log, and documenting any discrepancies.

- (7) Submit the activity log, statement, and supporting documents to the SPOTS Coordinator by the end of the month following the statement date.
- b) Ensure all cards, card-related PINs, and account passwords are secured 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 Approving Officer.
- 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 SPOTS Coordinator if a SPOTS card is lost or stolen.
- f) Immediately notify the SPOTS Coordinator when the cardholder is out on extended leave from current position (e.g., job rotation, military leave).
- g) Properly destroy or return the card to SPOTS Coordinator at position termination or if cancelling the card. The cardholder must include the date of last transaction and submit final documentation to the SPOTS Coordinator as described above (paragraph a).
- h) Forfeit the SPOTS card upon termination from OYA employment. The cardholder must also submit documentation to the SPOTS Coordinator of final purchases as described above (paragraph a).

E. Supervisor Responsibilities

The cardholder's supervisor must:

1. Complete related training administered by the SPOTS Coordinator prior to approving SPOTS card transactions and at least every other year thereafter.
2. Review the cardholder's transactions as follows:
 - a) Review each transaction for appropriateness, accuracy, completeness, 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 signing the Activity Log.

If the cardholder's supervisor does not have delegated expenditure authority for the transaction, ensure there is documented approval from the appropriate manager.

- 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.
 - d) If a limited number of staff precludes the supervisor from ensuring a separation of duties, the supervisor may request an exception from the Accounting Manager.
- 4. Upon first knowledge of cardholder termination from OYA:
 - a) Notify the SPOTS Coordinator of the cardholder's termination;
 - b) Ensure the cardholder properly destroys or returns the card to SPOTS Coordinator and submits the final documentation as described above (section IV.D.8.a).
- 5. Immediately report all cases of actual or suspected fraud, abuse, or misuse to the Approving Officer.

F. Monthly Payment and Reconciliation

- 1. Financial Services 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. Financial Services staff will reconcile monthly memo statements with weekly payments and monthly transfers.

G. 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.D. (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;
 - 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. Financial Services will initiate collection of reimbursement from staff and the staff's supervisor or assistant director will initiate appropriate personnel actions.

H. SPOTS Card Compliance Review

1. Financial Services staff will perform periodic reviews of supporting documentation for accuracy, completeness, and compliance with related policies and procedures. Financial Services staff will notify the cardholder and cardholder's supervisor of non-compliance issues.
2. Financial Services 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