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Department of Transportation

PURCHASING CARD

AUTHORITY:

Sections 20.23(3)(a) and 334.048(3), Florida Statutes (F.S.)

REFERENCES:

- Chapter 287, F.S.
- Section 112.061, F.S.
- Department of Financial Services Reference Guide for State Expenditures
- Department of Financial Services Statewide P-Card Policy Manual
- Disbursement Handbook for Employees and Managers
- Procedure # 350-020-200, Contract Funds Management Funds Approval
- Procedure # 375-040-020, Commodities and Contractual Services Procurement Manual
- Procedure# 375-040-130, Emergency Procurement During Governor Declared Emergencies
- Procedure #400-000-001, Mobile Equipment Procedures Manual
- Procedure #400-000-005, Fuel and Maintenance Card
- State of Florida Purchasing Card Program Administrator's Manual
- Uniform Conduct Standards

PURPOSE:

This procedure explains the process and internal controls for use of the Purchasing Card and the responsibilities of the Purchasing Accountholder, Secondary Accountholder, Approver, Accountant, Auditor, and Administrator.

SCOPE:

This Procedure affects all cost centers of the Department of Transportation (Department or FDOT).

BACKGROUND:

The instructions in this procedure are based on requirements imposed by the Department of Financial Services (DFS) and on sound purchasing and ethical practices. This procedure documents the Internal Control Plan required by DFS.

DEFINITIONS:

AARF (Automated Access Request Form) System: A system that automates computer security access requests, approvals, and authorizations.

DFS: Department of Financial Services

DOO/FSO: Disbursement Operations Office in the Central Office and Financial Services Offices in the districts.

Electronic Document Management System (EDMS): The Department approved enterprise electronic document storage system. The Enterprise EDMS allows for the storage and retrieval of electronic records.

FIDO (FLAIR Information Delivery Options): A web-based application used to access FLAIR accounting data for all processed transactions.

FLAIR: The Florida Accounting Information Resource system is a double entry, computer-based, general ledger accounting system, which is utilized to perform the State's accounting and financial management functions

P.C.A.R.D (Purchasing Card Audit QAReview Document) Storage System: A web-based application used to conduct purchasing card audits, purchasing card Quality Assurance Review's and to maintain all purchasing card documentation (prior to implementation of the Works system).

LMS (Learning Management System): The Department's learning management system.

MCC (Merchant Category Code): Code selected by vendors that accepts credit cards as a method of payment. The code defines the goods or services provided by the vendor.

PCWA (Purchasing Card & Works Access) Request System: An internal application that automates the process for users to request a Purchasing Card and/or a specific role within Works.

People First: The statewide system used to maintain Department Personnel records.

STMS (Statewide Travel Management System): A cloud-based application which electronically manages travel authorizations, approvals, and reimbursements. (Implemented Department-wide in 2019)

Works: A web-based application proprietary to Bank of America that provides an online platform for management of purchasing card transaction processing and the administration of users and purchasing cards.

1. PURCHASING CARD PROCESS

The Purchasing Card (P-Card) is a Bank of America issued VISA credit card used to pay for low-cost commodities, services, and travel expenses. The Purchasing Card Program is managed in the Department's Central Office by a Program Administrator who is supported by two backup Scoped Administrators. The reference to P-Card Administrator throughout this procedure refers to any of these positions. The Program Administrator will be specified, as necessary.

The Department uses Works, an automated on-line approval and payment application, to process and approve credit card charges. Works is owned and operated by Bank of America, the state's Purchasing Card provider. Card transactions must be processed through the approval levels of the Works system within ten (10) calendar days after the transaction is posted in the system.

Approval groups dictate how a transaction will be electronically routed through the Works system. An approval group consists of an Accountholder, Secondary Accountholder (granted by exception only), and Approver. Every group is assigned Accountants from DOO/FSO. DFS requires separation of each of these roles. Charges post to the approval group of the Accountholder who made the purchase.

Charges will normally appear in Works in the Accountholder's Pending Sign Off queue within 1-2 business days of the charge date. The Accountholder or Secondary Accountholder is responsible for reviewing charges, uploading the corresponding receipt/invoice and supporting documentation, inputting/verifying the accounting details, and signing off on the transaction. A charge cannot be signed off (or moved to the next approval level) without an attachment. Charges move to the Approver level after the Accountholder or Secondary Accountholder signs off on the transaction. The Approver must review the charge for appropriateness, including verification of the accounting details and documentation. The Approver can then sign off on the charge to forward it to the Accountant in DOO/FSO for payment. The Accountants audit the transactions for appropriateness, adequate descriptions, required documentation, correct accounting details (i.e. object code, expansion option, category), and closing the transactions for payment processing.

Transactions are batched and sent to DFS nightly to be loaded into FLAIR. If the transactions pass all FLAIR edits, they become disbursement transactions which create payment to the bank.

2. USER ROLES AND RESPONSIBILITIES

All users within the P-Card Program must be state employees. Proper segregation of duties is required between the user roles listed in this section to aid in the prevention and detection of errors and irregularities. The segregation of duties is necessary to prevent individuals from performing multiple roles in incurring charges, approving charges, and accounting for their charges. Users must not be assigned multiple roles within the same group except for the Scoped Administrator and the Auditor role assigned to an Approver role to print reports in Works, as needed.

2.1 ACCOUNTHOLDER

- The Accountholder is a FDOT employee, approved by their supervisor and Cost Center Manager, to be assigned a Purchasing Card to purchase allowable goods or services within preset limits for official State business.
- The Accountholder must ensure that the card is used solely for conducting state business.
- The Accountholder is required to use the card in accordance with law, rules, and procedures.
- The Accountholder must obtain a receipt or other acceptable documentation for each transaction (**Section 6**).
- Accountholders are responsible for attaching receipts and supporting documentation to each transaction posted in the Works system.
- Receipts for services require the following statement. Refer to the [Disbursement Handbook](#) for exceptions to this rule. The statement may be provided directly on the receipt/invoice (with accountholder signature) or in the Comments field as the accountholder signs off on the charge in the Works system.

"I certify that the provided information is true and correct; the goods and services have been satisfactorily received and payment is now due. I understand that the office of the State Chief Financial Officer reserves the right to require additional documentation and/or to conduct periodic post-audits of any agreements."

- If the Accountholder uses their card on behalf of another employee, for either travel related charges or the purchase of a commodity or service, they must confirm that goods and services are received with evidence such as: the receiving employee's signature and date on receipt; receiving reports, or email confirmation. This information should be attached to the transaction in Works.
- Accountholders are responsible for maintaining all transaction documentation. They are not required to retain paper/electronic copies once the transaction has been audited and closed in Works.
- Accountholders are responsible for processing charges within three (3) business days of posting in Works.
- The Accountholder must ensure the vendor and total purchase amount posted in Works matches the amount on the receipt, enter the description and required accounting data, and sign off on the charge for approval. The Accountholder should not make any changes to the amounts within the Works Allocate/Edit screen, including taxes if listed.
- Accountholders utilizing Secondary Accountholders to process charges must submit their signed and dated receipts to the assigned Secondary Accountholder within two (2) working days of the date of purchase or immediately upon return from travel status.
- The description of goods and services must provide details of what was purchased. Generic descriptions should be avoided. Travel related charges must reference the Master Trip ID from STMS. Charges for fuel must reference the rental car agreement number and dates of travel (See Appendix B). Fleet repair and maintenance charges must reference the appropriate vehicle number (See Appendix D). No confidential information (such as social security numbers) should be entered into description fields.
- The Accountholder must not use the "Add Line" and "Copy to Allocation" functions on the Works allocation screen.
- The Accountholder is responsible for identifying invalid transactions within two (2) working days of the transaction posting in Works. The Accountholder must attempt to resolve the discrepancy with the vendor first before filing a dispute with the credit card provider. The Accountholder must document their efforts to contact/resolve with the vendor. If the issue is not resolved directly with the vendor, a formal dispute may be filed with the bank. The Accountholder must file this dispute within 60 days of the charge. Comments should be added in Works to document the status and action taken.

- The Accountholder is responsible for the security of their card. The Accountholder shall take every precaution to maintain the confidentiality of their account number. If the full card number appears on the receipt or supporting documentation, the card number must be partially redacted to help prevent fraudulent use. The last four digits of the card number must remain visible. This information may be necessary for audit purposes to verify the method of payment in STMS. The Accountholder must not share their account number with anyone other than the vendor with whom the purchase is being made. Copies of the card should not be provided to the vendor. If the vendor requires a copy of the card (for tax purposes), the Accountholder must redact the card number (leaving only the last 4 digits) and redact the CVV code (3 digit number). The Accountholder must not lend their card to another individual.
- The Accountholder must report a lost or stolen card or fraudulent activity immediately to the bank and no later than the next business day to the FDOT P-Card Program Administrator email inbox. Refer to Section 4.7 for additional information.
- The Accountholder must ensure that travel expenses paid by the card are documented as a direct payment and not claimed for reimbursement on their travel reimbursement form within STMS.

2.2 SECONDARY ACCOUNTHOLDER

- The Secondary Accountholder is a role where another employee is assigned to process Purchasing Card charges in Works on behalf of a specific Accountholder. This role is only used when it is not feasible for the Accountholder to access Works. The role is used **by exception only** and must be approved by the DFS Statewide Purchasing Card Administrator's Office prior to assigning the role. Requests for this exception role must be submitted to the Program Administrator for handling.
 - If the Accountholder requesting a Secondary is considered Executive Leadership, they must include the line number of the General Appropriations Act (GAA) from which the Accountholder's salary is paid from on the request.
 - The Program Administrator will obtain management justification and submit the Secondary Accountholder Request Form to DFS for review and approval.
- Card transactions automatically route to the Secondary Accountholder as well as the Accountholder for initial review and approval.
- The Secondary Accountholder cannot be an Approver in the same approval group (**Section 2.3**).

- The Secondary Accountholder must obtain receipts, applicable documentation (quotes, packing slips, etc.), justification, and required signatures/certifications from the Accountholder before processing transactions in Works. If the Secondary Accountholder is unable to upload the documentation into Works, then it is the Accountholder's responsibility to do so (**Section 6**).
- The Secondary Accountholder will monitor the charge queue daily and will process charges within three (3) business days of posting in Works.
- The Secondary Accountholder will ensure the vendor and total purchase amount posted in Works matches the amount on the receipt, enters the description and required accounting data, and signs off on the charge for approval.
- The Secondary Accountholder must not use the "Add Line" and "Copy to Allocation" functions on the Works allocation screen.
- A description of goods and services must provide details of what was purchased. Generic descriptions should be avoided. Travel related charges must reference the Master Trip ID from STMS. Charges for fuel must reference the rental agreement number and dates of travel (See Appendix B). Fleet repair and maintenance charges must reference the appropriate vehicle number (See Appendix D). No confidential information (such as social security numbers) should be entered into description fields.
- Invalid transactions should be identified within two (2) business days of the transaction posting in Works. The Accountholder or Secondary Accountholder must attempt to resolve the discrepancy with the vendor or file a dispute with the credit card provider if corrections are not made by the vendor. Comments should be added in Works to document the status and action taken.

2.3 APPROVER

- The Approver is a required role where the Accountholder's supervisor, an employee in the Accountholder's line of supervision, or a supervisor with direct knowledge of the purchases, reviews and approves P-Card charges in Works.
 - Requests for an exception to this policy must be submitted to the Program Administrator for review and submittal to DFS. If approved, a signed attestation from the Secretary will be required.
- The Approver's responsibilities include (but are not limited to):

- Ensuring transactions comply with law and are valid obligations of the State.
 - Verifying receipts and supporting documentation are attached
 - Verifying descriptions and accounting information (GL values) are populated and accurate
 - Signing off on transactions
- The card transaction routes to the Approver after the Accountholder or Secondary Accountholder signs off on a transaction. The Approver will receive an automated email notification that a charge is pending approval.
 - The Approver must review and sign off on charges within two (2) business days of the charge appearing in their queue.
 - The Approver cannot approve charges made on their own card. An Approver cannot be assigned to a group in which they are also an Accountholder.

2.4 ACCOUNTANT

- The Accountant is a required role in DOO/FSO for final audit and approval of all Purchasing Card charges in Works.
- The Accountant is responsible for initiating payment of charges to the bank.
- The Accountant will monitor the charge queue daily and will process charges within three (3) business days of the charge appearing in their queue to ensure the 10-calendar day processing requirement is met.
- The Accountant must not use the “sweep” functionality in Works. The need to sweep a charge must be approved by the P-Card Administrator who will complete the function in Works and notify the appropriate approver and accountant. The justification and approval for the swept charge must be attached to the transaction in Works (**Section 6.6**).
- The Accountant’s responsibilities include (but are not limited to):
 - Ensuring transactions comply with law and are valid obligations of the State
 - Verifying receipts and supporting documentation are attached, accurate, and complete

- Verifying accounting information (GL values) such as the object code and category to ensure appropriateness with the goods/services purchased
- The Accountant reviews charges for statutory authority and may contact the Accountholder to verify that the purchase is authorized if not apparent.
- The Accountant may flag charges that do not contain the required information. The Accountant shall enter a comment to describe the issue and what is required to resolve it.
- The Accountant must review flagged charges daily to determine if corrective action has been taken. Flagged charges returned from FLAIR must also be researched to verify the error and take steps to resolve the issue timely.
- The Accountant is responsible for closing transactions in Works once all documentation and accounting values have been verified. This action will send the transaction to a queue that will batch load to FLAIR each night.
- The Accountant is not authorized to be an Accountholder or Approver.

2.5 AUDITOR

- The Auditor is an optional role that provides view-only and reporting functionality in Works.
- The Auditor may review data for the group(s) assigned and export reports.

2.6 SCOPED COMPLIANCE REVIEWER

- The Scoped Compliance Reviewer is an employee located in the Disbursement Operations Office (Central Office) who is responsible for completing the monthly compliance review.
- The reviewer will be assigned the role of Scoped Auditor for all DOT groups in Works.
- The reviewer should not be assigned the role of Approver or Accountant within Works.

2.7 SCOPED ADMINISTRATOR

- The Scoped Administrator is an employee located in Central Office within the Disbursement Operations Office.

- The Scoped Administrator is assigned the Scoped Administrator (SA) role in Works and reports directly to the Department's P-Card Program Administrator.
- The Scoped Administrator is responsible for granting appropriate user roles within the Works system.
- The Scoped Administrator must also be assigned the role of Accountant in Works for all active groups in order to monitor card activity.
- The Scoped Administrator must not assign additional permissions to their access in Works and may not be an Accountholder.
- The Scoped Administrator orders new cards, makes changes to existing cards, and cancels cards as needed.
- The Scoped Administrator is responsible for maintaining appropriate documentation to support card requests and users with Works access.
- The Scoped Administrator frequently monitors the use of restricted merchant category codes. Inappropriate use will be handled in accordance with **Section 5.9, Misuse and Abuse**.
- The Scoped Administrator runs a daily aging report for pending transactions and notifies Accountholders, Approvers, and Accountants weekly to assist in compliance with the DFS 10-day processing rule.
- The Scoped Administrator must not process (or close) transactions in Works.
- The Scoped Administrator investigates declined transactions.
- The Scoped Administrator monitors termination notifications and reports for immediate card cancellation and elimination of user roles in Works.
- The Scoped Administrator is responsible for approving and using the sweep function to process transactions when an employee has terminated or is on extended leave greater than 10 days.

2.8 PROGRAM ADMINISTRATOR

- The Program Administrator is an employee located in the Department's Central Office and reports to the Disbursement Operations Office Deputy Comptroller.
- The Program Administrator is supported by two Scoped Administrators and has the same system access in Works to ensure administrator activity is appropriate and accurate.

- The Program Administrator coordinates, monitors, and oversees the P-Card Program, and ensures that key controls are in place and operate as designed.
- The Program Administrator is responsible for maintaining and updating this procedure referred to as the Agency P-Card Plan required and approved by DFS.
- The Program Administrator is the primary liaison between the Department, Bank of America and DFS in relation to the P-Card program.
- The Program Administrator is assigned the Scoped Administrator (SA) role in Works and is responsible for granting appropriate user roles within the system.
- The Program Administrator coordinates approval by DFS to use restricted merchant category codes and one-time authorizations.
- The Program Administrator is responsible for providing a list of emergency Accountholders with transaction limits to the District/Assistant Secretaries annually for review.
- The Program Administrator provides training and resources to users of the program.
- The Program Administrator provides statistics and Accountholder transaction activity for review and use by the Procurement Office and DOO/FSO on an annual basis or as needed.
- The Program Administrator ensures that the Scoped Compliance Reviews are completed timely and in accordance with Appendix A of this procedure.

2.9 PROHIBITED ROLES

The following roles are not approved for use by the State of Florida and will not be assigned to users in Works:

- Approver by Delegation
- Proxy Reconciler
- Proxy Requester
- Router

2.10 DEPARTMENT OF FINANCIAL SERVICES

- DFS provides general policy and guidance for all state agency Purchasing Card Programs.

- DFS may monitor charges that have aged ten (10) or more calendar days from the date posted in Works. The Program Administrator may be required to provide justification to DFS.
- DFS issues a weekly ***Decline Report*** detailing all charges which were declined at the point of sale. The Program Administrator reviews the report to determine if Accountholders are exceeding their transaction limit or monthly credit limit or if there is any inappropriate activity. Changes in limits can be made within the requirements of this procedure. Inappropriate activity should be investigated, and any concerns of possible fraud should be reported to the Office of Inspector General.
- DFS conducts random post-audits of individual transactions to determine if the Department has adequate documentation to support that the expenditure is allowable, reasonable and necessary.

2.11 FDOT OFFICE OF INSPECTOR GENERAL

The Office of Inspector General (OIG) provides independent and objective audit and investigative services for the Department. They may be notified to conduct specific investigation regarding Accountholder activity or in cases of fraud or abuse. The OIG conducts routine reviews of the Department's Purchasing Card Program to ensure the administrative and system functionality is in accordance with the DFS Statewide Purchasing Card Policy Manual and the policies set forth in this procedure.

3. TRAINING REQUIREMENTS

Specific training must be completed prior to obtaining Works access or the issuance of a purchasing card. All required training must be completed through the Department's Learning Management System. The training courses currently available are:

- Purchasing Card for Emergencies CBT
 - Only required for Accountholders (with the emergency designation on their card as approved by SMS level management) and their Approver.
- Purchasing Card Training for Accountholders & Approvers CBT
 - Users must pass a quiz at the end of the training to receive credit for the course.
- Purchasing Card Works System Training for Users & Approvers

The required courses may vary depending on your role/access. This training is essential for users to be aware of policies such as security of their card, allowable/unallowable purchases, documentation requirements, and Works processing expectations.

P-CARD REQUIRED TRAINING BY USER ROLE			
	Purchasing Card for Accountholders & Approvers CBT	Purchasing Card Works System Training CBT	Purchasing Card for Emergencies CBT
Accountholder	X	X	X
Secondary Accountholder	X	X	
Approver/Supervisor	X	X	X
Accountant	X	X	
Auditor		X	
Scoped Administrator	X	X	X
Scoped Compliance Reviewers	X	X	X

FREQUENCY OF TRAINING			
Course Name	Once	Annually	Every 3 Years (or as required by P-Card Admin)
Purchasing Card for Emergencies CBT		X	
Purchasing Card for Accountholders & Approvers CBT			
*Accountholders Only			X
*Other User Roles	X		
Purchasing Card Works System Training for Users & Approvers CBT	X		

Scoped Administrators are responsible for verifying the completion of this required training prior to granting Works access or issuing a P-Card. All training records are maintained within the Department’s Learning Management System.

3.1 ADDITIONAL TRAINING RESOURCES

In addition to the mandatory training above, additional resources are available through the Department’s Disbursement Operations Office - [Purchasing Card SharePoint](#) site. The site includes, but is not limited to:

- Works User Manual
- Works Training Videos (by Role)
- Links to P-Card related FDOT procedures
- FDOT specific job aids for processing in Works

3.2 FORM REQUIREMENTS

DFS requires agencies to obtain specific information and acknowledgements for all users assigned a role within the Works system. The PCWA (Purchasing Card & Works Access) request system is used to electronically request Works access or obtain a

Purchasing Card. This system is available to all FDOT employees and maintained on the Office of Comptroller's Automated Platform.

The information and certifications included on the forms referenced below meet the statewide Purchasing Card Program's form and approval requirements. These forms are acknowledged and submitted by the user electronically through the PCWA system unless otherwise noted. Each online request is approved by the user's direct Supervisor and Cost Center Manager.

- (1) **Works User Profile Form** includes specific employee information required to establish a new user in Works. The PCWA system retrieves most of this information from the employee's People First record. Users identify and select default accounting codes and the applicable role they need through PCWA. Scoped Administrators must submit the DFS Scoped Administrator Request Form and the DFS Scoped Administrator Works User Agreement Form to gain access to Works. This form is signed or electronically acknowledged by the user's Supervisor to authorize access.
- (2) **Accountholder Agreement Form** is certification that Accountholders have been made aware of their responsibilities in obtaining and using a card, as well as the administrative requirements. This form is acknowledged electronically through the PCWA system.
- (3) **Secondary Accountholder Agreement Form** is required if the user has not completed an Accountholder Agreement Form and is authorized to be assigned this role. If this role is selected in PCWA, the certifications are acknowledged electronically, and the request is sent to DFS for review and approval.
- (4) **Works User Agreement Form** acknowledges and agrees to the terms of use with accessing Bank of America's Works Purchasing Card Management Solution. DFS requires all users within the Works system including Accountholders, Secondary Accountholders, Approvers, Accountants, and Auditors to acknowledge these requirements. .
- (5) **350-030-21, Emergency Accountholder Agreement (if applicable)** is certification that the Accountholder is aware of their responsibilities and the appropriate use of their card during a declared emergency. An SMS (Senior Management Service) level employee must approve before the emergency spend control profile can be assigned to the employees' card. The SMS approval level may not be delegated down. These agreements can be acknowledged through the PCWA system when requesting a new card or through the physical form available on the FDOT Forms Intranet site. Refer to the DOO Handbook for the Department's policy on Emergency Cardholders and Limits.

- (6) ***DFS Scoped Administrator Request Form*** must be completed and submitted directly to DFS when a new Administrator is assigned in the Primary or Backup position. This form is located on the Department of Financial Service's website. Only employees within the Central Office STMS/PCARD Administrator section may be assigned this role.
- (7) ***DFS Scoped Administrator Works User Agreement Form*** is required by DFS for each Scoped Administrator and Program Administrator. This form is located on the Department of Financial Service's website and must be signed by the user and their Supervisor to authorize access. The form must be maintained in house along with the Scoped Administrator Request Form.

4 CARD ISSUANCE, MAINTENANCE, and CANCELLATION

Only FDOT employees may be issued a Purchasing Card or be assigned a role in Works. Consultants or contractors cannot receive a Purchasing Card or have access to the Works system. All inquiries related to obtaining a Purchasing Card or changes to an existing account should be sent to the [FDOT P-CARD PROGRAM ADMINISTRATOR](#). All written correspondence is maintained within the P-Card Administrator's shared Outlook folders and secure folders on the FDOT network.

4.1 CARD ISSUANCE

A request must be submitted through the PCWA system to obtain a state purchasing card (P-Card). Each request is routed to the employee's direct supervisor and Cost Center Manager for approval. Management determines the need for a P-Card based on the purchasing needs of the office and the employee's job duties. It is recommended that employees who are required to travel as part of their position description obtain a state P-Card.

- (1) The P-Card Administrator will review the request through the PCWA system and verify that all required training has been completed.
- (2) The P-Card Administrator assigns a user and account profile in Works. The employee will have the role of Accountholder within the system. If a Supervisor, the employee may also be assigned the Approver role, if appropriate. Approvers are not allowed to approve their own charges or any transactions within the group their P-Card is assigned to.
- (3) The P-Card Administrator will assign the user to a group based on their position and supervisor. The group defines the approval workflow for the accountholder's transactions in Works.
- (4) The Accountholder will be notified via email when the P-Card is ordered and received.
- (5) P-Cards will be distributed in person, by tracked interoffice delivery, or through UPS depending on the employee's work location.

4.2 CHIP/PIN AND WORKS ACCESS

Accountholders are responsible for following the instructions provided by their Program Administrator upon issuance of their P-Card. All P-Cards issued by the bank are enabled with Chip/PIN technology. The Accountholder is responsible for obtaining their PIN as it will be required for most in-person transactions. The PIN is a required security measure and must not be shared with any other employee.

Accountholders are responsible for accessing the Works system to monitor and sign off on their charges. Passwords for Works access must not be shared with any other employee.

4.3 SINGLE TRANSACTION AND MONTHLY CREDIT LIMITS (SPEND CONTROL PROFILES)

Each P-Card is assigned a spend control profile. This profile defines the single transaction limit (STL) and total credit limit allowed on the P-Card. The profile also defines which Merchant Category Codes (MCC) are restricted and allowed for use. Single transaction limits will be based on historical purchasing and travel requirements for each cost center.

Single transaction limits exceeding \$1,500 will require justification (per DFS policy). DFS policy requires that the Secretary's or the Secretary's designee's approval is documented for STL's greater than \$1,500. The authority to approve these limits has been designated to the Accountholder's Cost Center Manager and/or Program Administrator.

If the P-Card limits are not selected on the request form, a low dollar profile will be assigned to the P-Card (Single Transaction Limit - \$1,500; Credit Limit - \$5,000).

A purchase must not be divided to circumvent the single transaction limit. This is considered misuse of the P-Card. Refer to **Section 5.9, Misuse and Abuse**. The Scoped Administrators will monitor purchases each month to ensure charges are not split inappropriately.

Accountholders with single transaction limits exceeding \$35,000 (Category Two) are required to file a financial disclosure statement with the Florida Commission on Ethics. (Section 112.3145, F.S.)

Emergency Accountholders may have single transaction limits higher than \$35,000 in preparation of a declared emergency. Emergency Accountholders will be evaluated semi-annually to assess the distribution of cards and transaction limits. Refer to **Appendix C** of this procedure.

Spend control profiles may be changed as needed with justification and approval received from the Accountholder's supervisor. Requests for limit changes may be rejected by the Program Administrator if excessive or not in compliance with the purchasing rules outlined in ***Procedure #375-040-020, Commodities and Contractual Services Procurement Manual***.

4.4 TEMPORARY ABSENCES

In the event of a temporary absence for maternity leave, military leave or other extended leave, the Accountholder or the Accountholder's supervisor must notify the P-Card Administrator so the card single transaction limits can be lowered to one dollar and increased when the employee returns. The Accountholder must make every effort to sign off on pending transactions in Works prior to their absence.

4.5 TRANSFERS

When Accountholders or employees who have a role in the Works system change positions within the Department, the P-Card Administrator must be notified by the supervisor immediately. This includes Accountholders, Secondary Accountholders, Approvers and Accountants.

P-Cards may be transferred to the employee's new cost center. P-Cards may also be transferred across Districts with approval from the P-Card Administrator. The P-Card Administrator will obtain approval from the employee's new Cost Center Manager verifying the appropriate credit limits and approval workflow for charges in Works.

Prior to moving an Accountholder to a new group, all transactions must be processed for payment to prevent interruption in the transaction approval workflow.

4.6 CARD CHANGES

The P-Card Administrator must be notified to request a change to an existing P-Card. Permanent and temporary changes should be requested in writing to the FDOT P-CARD PROGRAM ADMINISTRATOR inbox. Requests to increase P-Card limits must include justification and Cost Center Manager approval.

4.7 LOST OR STOLEN CARDS

If the Purchasing Card is lost or stolen, the Accountholder must immediately notify Bank of America's Commercial Card Customer Services at 1-888-449-2273 to report the lost or stolen card. The accountholder must notify the P-Card Administrator no later than the next business day. The bank will send a new P-Card directly to the P-Card Administrator for verification and processing. The P-Card Administrator will send the new replacement P-Card to the Accountholder.

4.8 RENEWAL (RE-ISSUED) CARDS

The Purchasing Cards issued by Bank of America are normally issued in three-year increments. The Program Administrator will receive renewal cards from the bank approximately two weeks prior to the expiration month of the card. These are verified and distributed to the Accountholders within 7-10 business days of receipt.

The bank will not automatically renew P-Cards that have had no usage during the previous two years. The Accountholder and the Accountholder's supervisor will be notified when this situation occurs to verify the card is still required for that position. Apart from emergency Accountholders, the Program Administrator will require management approval to either close the card or keep the account active. If no response is received, the account will remain active, and a renewal card will be requested from the bank.

4.9 TERMINATION

The P-Card Administrator must be notified immediately by the supervisor or Cost Center Manager when Accountholders or employees who have a role in the Works system are terminated. This includes Accountholders, Secondary Accountholders, Approvers and Accountants. The P-Card Administrator will also monitor AARF termination notifications and a weekly employee termination list. The P-Card should be destroyed and cancelled on or before the Accountholder's termination date.

5. PURCHASING CARD USAGE

5.1 COMMODITIES AND CONTRACTUAL SERVICES

The Purchasing Card may be used to purchase commodities and contractual services within the Accountholder's transaction limits. Purchases must be done in accordance with the ***Procedure #375-040-020, Commodities and Contractual Services Procurement Manual***. Purchases must not be divided to circumvent limits in the procedure or on the P-Card. All supporting procurement documentation, such as quotes, sole source documentation, information resource approvals, and requirements for specific purchases, must be uploaded into Works along with the corresponding receipt/invoice.

Commodities or services that are expected to exceed the Category Two threshold (\$35,000) must be procured through MFMP or a written agreement and the P-Card may not be used for payment. The P-Card Administrator will monitor purchases quarterly and annually to verify that payments to a single vendor do not exceed \$35,000 in a fiscal year as this violates Department Procurement policies. Violation of procurement rules is considered misuse of the P-Card and will be reported to the Procurement Office for review and resolution.

The Department of Financial Services (DFS) requires all contractual services that will be paid by the P-Card be disclosed on the Contractual Billings Form. This form must be submitted to the P-Card Program Manager annually and available to DFS upon request.

5.2 TRAVEL

The Purchasing Card may be used for travel expenses such as airfare, rental car, fuel for rental cars, hotel, parking, registration fees and other allowable travel charges. Travel expenses must be charged in accordance with the provisions of **Section 112.061 F.S., DFS Reference Guide for State Expenditures** and the **Disbursement Handbook for Employees and Managers**. The P-Card cannot be used to pay for meals or personal expenses.

Travelers who are P-Card Accountholders should ensure their travel expenses are charged to their own P-Card. Travelers without a Purchasing Card may have their expenses paid by a travel agent (co-traveler) –see **Appendix E** for additional guidance. It is recommended that employees who are required to travel for their job obtain their own state Purchasing Card.

Receipts for travel charges must be uploaded into Works to support each transaction. Travel is authorized and reimbursed through STMS. The Master Trip Invoice number generated from STMS must be referenced in Works with each receipt. These receipts must also be uploaded into STMS for audit and reimbursement.

5.3 DECLARED EMERGENCY

The Purchasing Card may be used to pay for commodities and contractual services during a Governor declared emergency when it is not necessary to execute **Form #375-040-61, Emergency Contract (H-Contract)**. The P-Card shall not be used to pay for commodities/services procured using **H-Contracts**. Please refer to **Procedure # 375-040-130, Emergency Procurement**.

The P-Card may be used as a method of payment for travel expenses directly related to the emergency. Travel related expenses under emergency circumstances may include but are not limited to hotel, rental cars, food, etc. However, food shall not be purchased using the P-Card without the suspension of travel statutes and rules and authorization by the Secretary of Transportation. Accountholders should consult the **Emergency Disbursement Guidance** section of the **Disbursement Handbook for Employees and Managers** for appropriate justification. Questions regarding the appropriateness of a particular charge should be referred to DOO/FSO. If these offices are unable to make a determination, please contact the Disbursement Operations Office, Quality Assurance Section.

5.4 TAXES

Purchases made in Florida with the Purchasing Card are sales and use tax exempt. Accountholders should ensure that vendors are notified of FDOT's tax exempt status. A copy of the consumer's certificate of exemption is available on the Disbursement Operations Office SharePoint site.

Accountholders should attempt to obtain a credit for erroneous sales tax charges over \$100.00. However, vendors have the right to deny an exemption. If this occurs, the vendor's refusal should be documented and included with the Accountholder's receipt.

Users should disregard the "Reference & Tax" information visible within the Works System. These calculations are generated between the merchant and the bank and should not be changed or modified. The uploaded receipt will be audited to determine if taxes were paid or not.

5.5 RETURNING MERCHANDISE

When returning merchandise or pallets, the credit must be issued to the Purchasing Card used for the original purchase. If the original P-Card is no longer available for use, the merchant should issue a refund payable directly to the Department if possible. Original receipts may be required to facilitate proper credit. Cash, gift cards or store credits cannot be accepted as credit.

5.6 RESTRICTED USES

Each vendor that accepts credit cards selects a MCC that defines the type of goods and services the vendor provides. DFS restricts the use of the Purchasing Card at vendors with certain MCCs such as restaurants, gift stores and financial institutions. Required restrictions are activated on each Accountholder profile with the exception of those Accountholders authorized to be designated emergency Accountholders.

DFS authorizes the use of restricted MCCs upon declaration of emergency. The Program Administrator is responsible for monitoring the use of restricted MCCs weekly and handling inappropriate use in accordance with **Section 5.9 Misuse and Abuse**.

If the card is declined at a restricted vendor and you have an authorized business purchase, contact the Program Administrator to coordinate pre-approval of a one-time override.

5.7 UNAUTHORIZED USE

The Purchasing Card is for official state business only. Accountants must notify the P-Card Administrator if unauthorized use is identified during the transaction audit.

Transactions are also sampled for post-review to ensure the following unauthorized uses are not occurring.

- a) Purchases for commodities and services must be done in accordance with **Procedure #375-040-020, Commodities and Contractual Services Procurement Manual**. The P-Card shall not be used for purchases over the Category Two threshold (currently \$35,000) unless authorized under a declared emergency.
- b) Travel expenses must be charged in accordance with the provisions of **Section 112.061, F.S., DFS Reference Guide for State Expenditures** and the **Disbursement Handbook for Employees and Managers**.
- c) The P-Card is for allowable purchases only. Accountholders should refer to the **Disbursement Handbook for Managers and Employees** for questions regarding allowable purchases.
- d) Purchases must not be split into multiple transactions to avoid exceeding a Single Transaction Limit. Accountholders must contact the Program Administrator if a purchase is required that exceeds their assigned limits.
- e) The P-Card shall not be used as a method of payment in My Florida Market Place (MFMP). Refer to invoicing requirements in **Procedure # 375-040-020, Commodities and Contractual Services Procurement Manual**.
- f) The P-Card shall not be used to pay for encumbered contracts. Refer to encumbrance requirements in **Procedure # 350-020-200, Contract Funds Management Funds Approval**.
- g) The P-Card shall not be used to pay for employee moving expenses. Refer to the **Disbursement Handbook for Managers and Employees**.
- h) The P-Card shall not be used to purchase fuel for FDOT owned fleet vehicles. Fuel purchases should be made with the Fuel and Maintenance Card. Please refer to **Procedure # 400-000-005, Fuel and Maintenance Card**.
- i) The P-Card shall not be used to purchase fuel for personal vehicles (POV) while in travel status. Please refer to the **Disbursement Handbook for Managers and Employees** for additional guidance regarding travel.
- j) The P-Card shall not be used for bulk fuel purchases except in declared emergency situations and with prior approval from the Program Administrator or

the Disbursement Operations Office Deputy Comptroller (Disbursement Operations Office).

- k) The P-Card shall not be used to purchase mobile equipment. Mobile equipment purchases must be processed through MFMP and in accordance with ***Procedure # 400-000-001, Mobile Equipment Procedures Manual***

In addition, quarterly and annual reviews are conducted by the P-Card Administrators to ensure limits and procurement thresholds are not being circumvented.

5.8 CONFIDENTIAL INFORMATION AND CARD SECURITY

All employees are responsible for the security of confidential information, including Purchasing Card and Social Security Numbers. Social Security numbers must never be entered in the description fields.

The Accountholder is responsible for maintaining the security of their card. The Accountholder shall take every precaution to maintain the confidentiality of their account number. Receipts and documentation scanned and uploaded into Works must not contain any confidential information. If confidential information is visible on the original documentation, the sensitive data must be redacted prior to uploading the file in Works. Information that must be redacted includes social security numbers, Driver's License numbers, full 16-digit credit card numbers (only the last 4 digits may remain visible).

The Accountholder should not share their account number with anyone other than the vendor with whom the purchase is being made. Copies of the card should not be provided to the vendor. If the vendor requires a copy of the card (for tax purposes) the Accountholder MUST redact the card number (leaving only the last 4 digits) and redact the CVV code (3 digit number). The Accountholder must not lend their card to another individual as the Department does not allow delegation of authority for account usage.

Account numbers must only be accessible to the Accountholder and the Scoped Administrator(s). Account information provided by the bank is only accessible to the Scoped Administrator(s). Email correspondence regarding an account must never contain the full 16-digit account number. Scoped Administrators may provide the last 4-digits of the account as necessary.

If confidential information is identified within an email or other documentation maintained electronically, it must be immediately redacted. If unable to redact the information, the P-Card Administrator must be notified to take action. This may require the account be closed and a new P-Card issued to avoid potential compromise and fraudulent use.

5.9 MISUSE AND ABUSE

Misuse or abuse of the Purchasing Card is a violation of the ***Uniform Conduct Standards*** for state employees and will result in disciplinary action up to and including termination of employment in accordance with personnel rules. The P-Card is to be used for official business only. Personal purchases or other improper uses are prohibited.

Examples of misuse include, but are not limited to:

- (1) Accountholder negligence in performing responsibilities
- (2) Non-compliance with transaction processing requirements
- (3) Carelessness in maintaining the security of the P-Card.

Examples of abuse include, but are not limited to:

- (1) Falsifying records
- (2) Fraud
- (3) Theft
- (4) Using the P-Card for personal gain.

The Program Administrator should be notified of all instances of misuse or abuse. Misuse or abuse will be reported to the Accountholder's supervisor or Cost Center Manager for further action in accordance with ***Procedure# 250-012-011, Disciplinary Actions***. In cases of abuse, the Office of Inspector General should also be notified.

6.0 TRANSACTION PROCESSING REQUIREMENTS

6.1 RECEIPTS

All Purchasing Card transactions must be supported by an itemized invoice and/or receipt. Additional documentation may also be required to support the purchase.

The following requirements apply to all receipts supporting Purchasing Card transactions:

- Receipts supporting the transaction must be scanned and uploaded into Works by the Accountholder or Secondary Accountholder.
- Documentation must be clear and legible.
- If a receipt is lost, the Accountholder should request a duplicate copy from the vendor. If the receipt is not obtainable, complete ***Form # 350-030-06, Receipt***

Replacement Certification. The Accountholder's supervisor's signature is required on each replacement receipt form.

- Receipts must include the name of the vendor/merchant.
- Invoices for services require the following statement Refer to the [Disbursement Handbook](#) for exceptions to this rule. The statement may be provided directly on the invoice/receipt (with accountholder signature) or in the Comments field as the accountholder signs off on the charge in the Works system.

"I certify that this information is true and correct; the goods and services have been satisfactorily received and payment is now due. I understand that the office of the State Chief Financial Officer reserves the right to require additional documentation and/or to conduct periodic post-audits of any agreements."

- The receipt of commodities (physical goods) is confirmed by the Accountholder's sign-off in Works.
 - Accountholders who do not process their own charges in Works should provide confirmation of receipt to the Secondary Accountholder.
- Receipts must clearly reflect a description of the goods or services acquired, number of units, and cost per unit. Numerical code descriptions alone are not acceptable.
- The combination of several documents to provide the description, number of units and cost per unit may be used (i.e., quote sheets, packing slips, web page screen-prints, cash register receipts, charge slips.)
- A statement or invoice is not acceptable unless it can be clearly shown that it's intended to be used as a receipt by the merchant/vendor.
- No prior unpaid balance on a statement should be paid using the P-Card.
- Acronyms and non-standard abbreviations for programs or organizational units within the Department should not be used in the supporting documentation unless an explanation is also included.
- Written justification or explanations are required for expenditures that are not representative of normal operations. These statements can be written on the invoice, supporting documentation, or added as a comment in Works.
- Receipts must show confirmation of payment. This is normally reflected by showing a "zero" balance as well as the last 4 digits of the credit card used for

payment. If payment confirmation is not provided, the transaction can be processed in Works if the existing documentation meets all invoice requirements as outlined in the DFS Reference Guide for State Expenditures and DOO Handbook.

- Credits must have supporting documentation attached in Works. The original transaction the credit is associated with must be referenced in the Works Description field or within the comments field. The original receipt may be used for the supporting documentation if a credit receipt is not provided.

6.2 PROCUREMENT DOCUMENTATION

Procurement documentation is required for commodities and contractual services in accordance with ***Procedure # 375-040-020, Commodities and Contractual Services Procurement Manual***. Procurement documentation includes, but is not limited to, quotes, sole source justification, information technology approvals, and requirements for specific purchases.

All supporting documentation must be uploaded into Works (allows multiple attachments per transaction) prior to signing off on a charge. Once a transaction has been approved through the Accountholder, Approver, and Accountant, the official record in Works is locked.

The Accountholder may add additional documentation after a transaction is closed, but they must notify the Accountant or P-Card Administrator before doing so. Existing documentation in Works must not be modified.

6.3 DFS PROCESSING COMPLIANCE REQUIREMENT

FDOT has 10 calendar days to process charges once they post in the Works system. To ensure the 10-day compliance is met, each level of review and approval is allotted specific business days as a guideline for processing:

- (1) The Accountholder or Secondary Accountholder has three (3) business days to sign off on charges.
- (2) The Approver has two (2) business days to review and approve (sign off) charges.
- (3) The Accountant has three (3) business days to audit and approve (close) charges.

6.4 REASONS TO DELAY PROCESSING

Accountholders may have a need to delay processing a transaction in Works for the following reasons:

- (1) Goods or services not received

- (2) Incorrect amount charged
- (3) Unauthorized charges (**Refer to Section 6.8**).

Accountholders should contact the vendor immediately to resolve any issues with delivery or the amount charged. Charges should not be processed until goods are received and accepted. Credits should be requested for incorrect or unauthorized charges. The charge should remain in the Accountholder's queue until the situation is resolved. A comment must be added to each transaction that is being held for resolution.

The Accountholder should not use the Dispute function in Works for any of these reasons without contacting the Program Administrator first. Refer to **Section 6.7, Disputes**.

6.5 FLAGGING CHARGES

Approvers or Accountants may flag charges in the Works system for reasons including but not limited to the following:

- Missing goods received date or required certification statement for services
- Missing Master Trip Invoice number required for travel expenses
- Missing proper management approval for purchase
- Insufficient invoice or justification.
- Insufficient budget or other accounting issue that requires the charge to be held.

The Accountholder and Approver are notified via email when a transaction has been flagged and will be accessible through the "Flagged" queue in Works. The transaction remains at the level of approval where it was flagged. Approvers are not able to update GL values to flagged transaction but are able to add supporting documentation. Transactions cannot be moved back to the Accountholder or Approver queues once those users have signed off. Flags should only be removed by the employee who raised the flag, unless otherwise instructed.

6.6 SWEEPING CHARGES

The sweep functionality is only used under extenuating circumstances as it allows a transaction to be processed without the Accountholder and Approver sign-off. This function must only be used if an Accountholder has separated from the Department or is out of the office for more than 10 business days. Only the P-Card Administrator may sweep a charge in Works.

If a transaction requires sweeping, the following steps must be followed:

- An email request with justification to sweep a transaction is sent to the FDOT PCARD Program Admin email inbox. A copy of the receipt/supporting documentation should be attached.

- If approved, the Scoped Administrator will sweep the transaction and respond to the Approver and Accountant with verification and instructions on processing the charge.
- A copy of the approved request will be attached to the transaction in Works.
- The Accountant will assign the GL Values and upload the provided documentation. The transaction will be flagged notifying the Approver.
- The Approver will lower the flag and add a comment confirming their approval.
- The Accountant reviews and closes the transaction.

DFS monitors all swept transactions in Works.

6.7 FAILURE TO PROCESS CHARGES

The Program Administrator is authorized to lower the card limit to one dollar until charges are processed timely or commented/flagged with a valid reason by the Accountholder or Approver. This includes:

- (1) Accountholders who process their own charges
- (2) Accountholders who do not submit their travel receipts to their secondary accountholder (when applicable) within two (2) business days of returning from their trip
- (3) Approvers that are not processing or approving charges within two (2) business days of receipt. Failure of an Approver to process charges may affect several Accountholders.

The Cost Center Manager or their supervisor and the affected Accountholders will be notified prior to lowering limits. Documentation of repeated violations (i.e. email notification and **Aging Reports**) will be included as supporting information for the decrease.

6.8 DISPUTES

If an incorrect charge cannot be resolved directly with the vendor, the Accountholder must complete **Form # 350-030-13, Commercial Card Claims Statement of Disputed Item**, and submit to the bank no later than 60 calendar days from the close of the billing cycle in which the transaction posts. The billing cycle ends on the 4th of each month. The charges should remain unprocessed in Works, but the comments must include the date the dispute was filed. The Accountholder should contact the Program Administrator prior to filing the dispute and provide them with a copy for tracking purposes. Once the bank receives the required documentation, the bank will mark the charge as "Disputed" in Works.

The Dispute function within Works should not be used before first notifying the Program Administrator as it immediately opens a formal claim against the vendor and shortens the Department's response time to provide supporting documentation. If this function is used in error, the Program Administrator should be notified for assistance.

6.9 FRAUDULENT ACTIVITY

Fraudulent activity should be reported to Bank of America immediately. The bank may also contact the Program Administrator regarding an account placed on temporary hold due to suspicious activity on the card. If fraudulent charges are identified on an account, the bank will need to close the P-Card and issue a new one. Any fraudulent charges posted to an account in Works should remain in the queue until a credit from the bank is issued. A comment must be added to the transaction to indicate any delay in processing (Ex: "*Fraud Charge – Waiting on Credit*").

7.0 RETENTION REQUIREMENTS

Receipts and supporting documentation must be retained for five (5) fiscal years as required by the Department of State. Federal reimbursed emergency transactions must be retained in accordance with ***Chapter 14, Office of Comptroller Natural Disaster Emergency Handbook***.

Purchasing Card records beginning with FY 13/14 through September 30, 2018 will be retained electronically in the Purchasing Card Audit Review Document (PCARD) storage system. Purchasing Card records beginning October 5, 2018 will be retained electronically in the Works system. The Program Administrator will be responsible for submitting the final disposition request for electronic records that have met the retention period per ***Procedure #050-020-025, Records Management***.

Works is the official repository for all Purchasing Card receipts and supporting documentation. DFS and Bank of America have verified that these records will be maintained for a minimum of seven (7) years to meet the state's retention period requirements. Accountholders may retain a copy for their own records; however it is not required once the Accountant has closed the transaction in Works. The official record for the Department will reside in Works.

Purchasing Card and other user access records are maintained electronically within the Disbursement Operations Office. These records include forms processed through PCWA as well as physical forms converted to electronic format. Records will be retained as long as the user is active. Inactive records will be retained for a minimum of five (5) years.

8.0 LOCAL CHARGE ACCOUNTS

8.1 Local Charge Accounts may be established by an Accountholder to consolidate several small dollar purchases on a monthly basis. The Purchasing Card may be used to pay for the charges monthly. The approval forms listed below must be maintained by the Cost Center and retained for a minimum of five (5) fiscal years to coincide with the related P-Card charges.

Local Charge Accounts cannot be used to circumvent the competitive procurement process. To establish a Local Charge Account:

- (1) Complete **Form #350-030-11, Agreement to Establish a Local Charge Account**, and obtain an agreement from one or more vendors, where feasible, that provide similar commodities. The vendor's signature on the bottom of the form is their authorization to establish a Local Charge Account.
- (2) Complete **Form #350-030-09, Request to Establish Local Charge Account**, which must be signed by the Cost Center Manager. If only one source can provide the commodity, specifically state this on the form.
- (3) Submit completed forms to the appropriate District or Central Procurement Office for approval. The District or Central Procurement Office is responsible for verifying that any statements on the form are accurate before giving approval.

8.2 TERMS OF LOCAL CHARGE ACCOUNTS

Local Charge Accounts will be approved for a period not to exceed two (2) years.

8.3 DAILY USE OF LOCAL CHARGE ACCOUNTS

- (1) All purchases on a Local Charge Account are subject to the same requirements outlined in **Procedure # 375-040-020, Commodities and Contractual Services Procurement Manual**. All telephone and written quotes shall be maintained in the Local Charge Account file.
- (2) All purchases on a Local Charge Account shall be recorded as items are delivered or picked up, so that monthly statements can be verified.

8.4 PROCESSING LOCAL CHARGE ACCOUNT INVOICES FOR PAYMENT

The vendor shall provide the cost center with a monthly statement listing each invoice by date, invoice number, and dollar amount. The statement shall be provided by the vendor for the procurement of goods or services received in the previous month, and shall be received by the Cost Center Manager by a predetermined date agreed upon by

the vendor and the accountholder at the time of entering into the **Local Charge Account Agreement**. The statement shall be compared with the record of items received by the Accountholder. If the statement does not meet the invoice requirements, itemized invoices will be required to be attached in Works to support the charges. Any discrepancies should be resolved with the vendor. The P-Card can be used to pay the account.

The Local Charge Account must be referenced in Works in the Description field or as a comment. The approved forms above are required to be uploaded into Works to support the charge.

9.0 TRAINING

Refer to **Section 3** of this procedure.

10.0 FORMS

The forms listed below are available in PDF/Word format in FDOT's Infonet Forms Library and on the Disbursement Operations SharePoint site:

350-030-06, Receipt Replacement Certification

350-030-09, Request to Establish Local Charge Account

350-030-11, Agreement to Establish a Local Charge Account

350-030-12, Credit Card Charge Authorization

350-030-13, Commercial Card Claims Statement of Disputed Item

350-030-20, Works User Agreement Form

350-030-21, Emergency Accountholder Agreement

The forms below are automated in electronic format within the Purchasing Card and Works Access Request System (PCWA):

<https://fdotwp2.dot.state.fl.us/OOCAutomationPlatform/PurchasingCardAndWorksAccess>

Accountholder Agreement Form

Works User Agreement Form

Works User Profile Form

11.0 ATTESTATION

I attest that the Florida Department of Transportation's Purchasing Card Plan includes the internal controls required by the Statewide Purchasing Card Administrator's Office.

Jared Perdue

Agency Head/Designee (Printed)

DocuSigned by:

Jared Perdue

062D6B01F4FF447...

Agency Head/Designee Signature

Anna Early

Statewide Purchasing Card Administrator
Printed

DocuSigned by:

Anna Early

BD6AB1C058944B5...

Statewide Purchasing Card Administrator
Signature

12.0 APPENDIXES

APPENDIX A Scoped Compliance Review Process

APPENDIX B Fuel for Rental Vehicles

APPENDIX C Emergency Card Process

APPENDIX D Vehicle Repairs and Maintenance

APPENDIX E Travel Agent

APPENDIX A

Scoped Compliance Review Process

DFS requires a Scoped Compliance Review to be completed monthly. The purposes of this review are:

- To provide reasonable assurance that internal controls are in place to prevent and detect errors, misuse or abuse, or inappropriate purchases;
- To monitor purchasing card transactions to provide reasonable assurance that purchases comply with State law and are valid obligations of the State;
- To ensure transactions in Works are supported by receipts and other required documentation

The review is conducted by the Quality Assurance Section located in the Department's Central Office (Disbursement Operations). These employees are assigned the Auditor role in Works and must review transactions paid during the prior month. Auditors assigned to complete the Scoped Compliance Reviews must not be an Accountholder, Approver, or Accountant for the same group(s) they perform reviews for.

Authority References

The Auditor must ensure that the sampled transactions were made in accordance with the following references:

- (1) Department of Management Services (DMS) Purchasing Rules,
- (2) Reference Guide for State Expenditures,
- (3) Applicable Chief Financial Officer/Agency Addressed Memoranda,
- (4) Applicable Florida Statutes and Florida Administrative Code,
- (5) Agency Purchasing Card Plan,
- (6) Other Department Policies and Procedures.

Review Process

The *Scoped Compliance Report* will be run from Works by the Program Administrator on or before the 5th business day of the month. This report will include all transactions batched in Works during the previous calendar month.

Transactions will be selected for review including but not limited to the following criteria:

- Transactions exceeding \$10,000
- Award Purchases
- Perquisite purchases
- Membership Dues (requiring Advance Payment approval)

A general sampling will be selected for the remaining transactions to ensure a representative sample is pulled for each District (including Central Office and Turnpike).

Specifically, the Auditor must locate the sampled transactions in Works and verify the following for each transaction:

- (1) Goods or services purchased are an appropriate use of State funds.
- (2) Goods or services were purchased in accordance with statutory authority.
- (3) Goods or services were purchased for state business only.
- (4) Receipts and supporting documentation are legible and:
 - (a) are attached to transaction in Works,
 - (b) match the charge amount shown in Works,
 - (c) meet the receipt requirements in the Reference Guide for State Expenditures,
 - (d) do not contain unredacted confidential information,
 - (e) original receipts containing unredacted information have been properly saved or stored.
 - (f) receipts processed by Secondary Accountholders have been signed and dated by the Primary Accountholder,
- (5) For travel-related charges*:
 - (a) personal charges and travel advances were properly deducted from the Travel Reimbursement in the Statewide Travel Management System (STMS),
 - (b) expenses paid by P-Card were properly documented on the Travel Reimbursement Form and not included in a reimbursement that the traveler may be entitled to,
 - (c) transactions contain the Master Trip Number from STMS in the Description field in Works.

***NOTE:** These steps will require viewing the travel transactions in STMS. The transactions can be queried in STMS by the Master Trip Number.
- (6) Duplicate transactions are identified.
- (7) General Ledger Codes are used properly. (Corrections must be shown on the Scoped Compliance Report.)
- (8) Rental Agreement (RA#) was properly recorded in Works for fuel charges related to rental car fuel.
- (9) State vehicle number was included for charges related to state vehicle repairs and maintenance.

Reporting Findings

Any findings will be documented using the DFS provided review checklist (converted to an excel format). Each monthly report will include a tab for findings identified during that month's review.

Auditors must notify the Program Administrator if any inappropriate or misuse of the P-Card is identified.

Auditors must submit the completed *Scoped Compliance Report*, *Compliance Review Findings Checklist*, and any supporting documentation for the monthly compliance review to the Program Administrator **by the 20th of the month following the review month**. For example, a compliance review for the calendar month January 1 through January 31, must be submitted to the Program Administrator by the 20th of February.

The Program Administrator will ensure that a representative sample of the monthly paid transactions were reviewed, follow-up with all findings identified, and ensure that corrections and notifications are completed.

The Program Administrator will retain these reports/findings electronically for a minimum of five (5) years to comply with any DFS or other external audits. Reports will be distributed to the Disbursement Operations Office and each Financial Services Office.

APPENDIX B

Fuel for Rental Vehicles

FDOT has received approval to use the Purchasing Card for fuel purchases associated with the state Rental Vehicle Contract as required by the Chief Financial Officer **Memorandum No. 05 (2013-2014)**. FDOT will be responsible for monitoring these purchases and for implementing procedures to ensure the DFS specific criteria is met:

- The purchasing card may only be used to purchase fuel for rental vehicles while on official state business. The P-Card is prohibited from being used to purchase fuel for state or personally owned vehicles.
- A travel authorization must be completed in STMS prior to travel or incurring travel expenses. A **reimbursement** must also be completed in STMS, even if no reimbursement is due to the traveler. The reimbursement is required to accurately report the traveler's departure and return date/time. If no reimbursement is due to the traveler, the reimbursement must be marked as "Reporting Only" in STMS.
- FDOT will perform its current process for travel reconciliations which will include comparing the uploaded documentation in Works to the referenced **Authorization and Reimbursement Forms in STMS**. Fiscal Accountants in STMS must cross-reference the charges posted in Works for each Reimbursement Trip Form to ensure all associated travel expenses have been accounted for. Accountants within Works will also verify that the charge being audited is references to an authorized trip in STMS and has been claimed as an expense line item appropriately. This review will ensure that fuel was purchased while performing official state business and that the employee does not claim reimbursement for purchases made directly with the purchasing card.
- Itemized receipts are required for all P-Card purchases regardless of the purchase amount. Receipts must show the name and address of the vendor, date and time of purchase, price per gallon, quantity of fuel purchased and total cost. An itemized rental vehicle receipt for the same trip must also be available in STMS and Works for audit.
- When processing the P-Card charges in the Works system, Accountholders or Secondary Accountholders must reference the STMS Master Trip Invoice number in the description field for each fuel purchase. The Approvers and Accountants should not approve any charge that does not reference this information. The charge should be flagged until the required information is obtained and input.

- Abuse of the P-Card will result in disciplinary action up to and including termination of employment as stated in our procedures and training. Cost Center Managers are responsible for notifying the Program Administrator of any instance involving abuse of the card. Each vendor is registered under a specific merchant category code (MCC), which defines what type of goods/services they provide. The allowable MCC codes for fuel purchases are 5541 (Gas/Service Stations with/without Ancillary Services) and 5542 (Automated Fuel Dispensers). The Program Administrator will monitor the use these MCC codes on a regular basis and will recommend disciplinary action for any abuse.

APPENDIX C

Emergency P-Card Process

DFS has established specific emergency spend control profiles within Works. These profiles are assigned to Purchasing Cards that are necessary for use during a Governor declared emergency. The emergency profiles do not contain any restricted merchant categories (MCCs) specified by the DFS. They contain only prohibited merchant category codes as determined by DFS.

FDOT is responsible for monitoring the use of restricted MCCs for our emergency P-Cards. The following procedures will be used to monitor emergency P-Cards and ensure that restricted use of the MCC codes is for declared emergencies only:

1. Emergency spend profiles are assigned to P-Cards that are necessary to be used during a declared emergency. This must be documented and approved on **Form # 350-030-21, Emergency Accountholder Agreement**.
 - a. The emergency designation should only be assigned to those Accountholders that would have responsibility to purchase food or other items that may not normally be purchased. Additional guidance can be found in the **Disbursement Handbook for Employees and Managers**.
2. The Program Administrator is responsible for providing a list of emergency Accountholders with transaction limits to the District Secretaries/Assistant Secretaries annually for review.
3. Temporary increases to credit limits may be granted during a declared emergency if necessary, based on the specific event. An emergency profile may also be temporarily granted as long as the Accountholder has completed the required *Purchasing Card Training for Emergencies* CBT. Temporary card adjustments made during an emergency will be restored back to their original profiles when the Department's response to the emergency has ended.
4. Card profiles will be reviewed by the Program Administrator semi-annually for appropriate transaction limits and Merchant Category Code Groups (MCCG) assignment.
5. The Program Administrator will monitor the use of restricted MCCs on a weekly basis.
6. Any use of a restricted MCC code will be investigated.
7. Misuse or abuse of a restricted MCC code will result in disciplinary action up to and including termination of employment.

APPENDIX D

Vehicle Repairs and Maintenance

FDOT received approval (as required by Chief Financial Officer **Memorandum No. 04 (2006-07)**) to use the Purchasing Card for state vehicle repair and maintenance transactions and will comply with the requirements of the memorandum as follows:

1. Accountholders are required to obtain receipts for each transaction placed on the P-Card. Receipts must detail a description of the goods or services acquired, number of units and cost per unit. If necessary, a combination of several documents can be used to provide the description, number or units and cost per unit.
2. Accountholders validate the transaction by entering the date purchases were received and approved along with details of the repairs or services and the vehicle number in the applicable fields in Works (see below).
3. If the Accountholder does not access Works and uses a Secondary Accountholder to process their charges, then that employee will need to ensure details of the repairs or services received and the vehicle number is included with the receipt submitted.
4. All transactions are signed off by an Approver, in addition to the Accountholder or Secondary Accountholder. The Approver is a required role and is typically the Accountholder's supervisor. The Approver reviews charges to ensure they are appropriate and reasonable, that the appropriate supporting documentation is uploaded, and that the accounting information is correct.
5. All transactions are also approved by an Accountant. This role is required by DFS and is responsible for final review, audit and approval of the transactions. Charges not referencing the vehicle number or clearly describing the repair or maintenance acquired will not be approved until the required information is entered. This role also ensures the accuracy of the cost distribution information.
6. The existing Merchant Category Code Groups (MCCG) will be used. FDOT has state vehicles assigned to approximately 300 cost centers and the individual cost center is responsible for required routine maintenance of the vehicle. The current MCCGs will allow the Accountholder to perform regular office duties and required routine maintenance duties for the assigned vehicle.
7. The Accountholder or Secondary Accountholder will record the state vehicle number and indicate "repair or maintenance" for each transaction. The state vehicle number will be listed in the Notes field in Works and the details of the repair or maintenance should be described in the Description field in Works.

APPENDIX E

Travel Agent

An Accountholder (administrative assistant or co-traveler) may pay for other authorized travelers' purchases as long as the following requirements and internal controls are adhered to. The Accountholder is considered a travel agent for the Department for employees who do not have a Purchasing Card. Travelers that have been issued a P-Card should use their own card for travel related expenses.

Traveler Responsibilities

- Complete the *Travel Training Basics CBT* in Learning Curve to ensure they are familiar with the travel policies and procedures.
- Traveler must have the proper approvals and a completed travel authorization trip form in STMS.
- Notify the Accountholder of the required travel and provides the associated STMS Master Trip Invoice number.
- Receipts should be immediately provided to the Accountholder for timely processing.
- Provide a copy of their reimbursement trip form to the Accountholder.

Accountholder (Travel Agent) Responsibilities

- Verify the traveler has completed the travel training and is aware of the policies.
- Verify the STMS Authorization Trip Form has been completely approved prior to making any travel reservations or purchases.
- Ensure that travel procedures and guidelines are adhered to in accordance with the provisions of **Section 112.061 F.S., DFS Reference Guide for State Expenditures** and the **Disbursement Handbook for Employees and Managers**.
- The travel agent may order only one hotel reservation, airfare, or registration per transaction.
- In Works, ensure each transaction is properly documented to include the following:
 - Sub-Vendor field must reflect the Accountholder's People First ID
 - Description field must include the traveler's name and the STMS Master Trip Invoice #
 - Fuel charges must reference the Rental Agreement # in the Description or Comments field.
 - If the transaction is divided, the traveler's information must be listed in the Description field for each divided transaction.
- Review the traveler's reimbursement form to ensure charges paid with the P-Card have not been claimed for reimbursement to the traveler.

Travel reimbursements will be thoroughly audited by the appropriate DOO/FSO to ensure that travel expenses are in compliance with the provisions of **Section 112.061 F.S., DFS Reference Guide for State Expenditures** and the **Disbursement Handbook for Employees and Managers**. The audit process requires Accountants to cross-reference all travel related purchases to the charges posted in Works. All travel charges in Works must reference the STMS Master Trip Number so Accountants auditing in Works can reconcile the charges with the appropriate reimbursement.