

## February 2011 Statewide P-Card Policy Revisions

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According to the Statewide Purchasing Card Policy, it is the responsibility of the State Cards Program Manager to “Review the Policy at least annually to ensure that it is in keeping with ‘best practices’ in the purchasing card industry and that it allows participants in the Program to utilize the P-Card to its utmost advantage in the procurement process within sufficient control guidelines.”

As such, the following is a high level overview of the changes made to the current (February 2011) version of the Statewide Purchasing Card Policy. These changes were originally made in 2010 but were held to coincide with the release of the new Georgia Procurement Manual (GPM) this year. These changes supersede all previous revisions to the policy. The current P-Card policy can always be found online on the Department of Administrative Services State Purchasing website at <http://doas.ga.gov>.

Section	Overview of Proposed Change	Comments
<b>IV. – State Entity Program roles and Responsibilities</b> (Specifically IV.A.1.) <b>Page 9</b>	Added language from GPM requiring Prog. Admins. to analyze entity spend (a) and monitor compliance with GPM (b).	More closely ties the administrator’s roles and responsibilities to those required by the Georgia Procurement Manual.
<b>IV. – State Entity Program roles and Responsibilities</b> (Specifically IV.A.6.iii) <b>Page 11</b>	Prohibited use of generic “P-Card” general ledger accounts requiring proper allocation of all purchases.	Stems from rare use of generic general ledger accounts to lump P-Card transactions together instead of allocating properly.
<b>IV. – State Entity Program Roles and Responsibilities</b> (Specifically IV.B.4) <b>Page 12</b>	Added specific language on recommended timeline for transaction review and reason (to qualify for liability coverage).	Strengthens policy to adhere to Visa liability coverage and minimize risk to State.
<b>IV. – State Entity Program Roles and Responsibilities</b> (Specifically IV.B.5.vii) <b>Page 12</b> Repeated in C.8. (p.14) for Cardholder. (Need to decide on wording.)	Added language to allow a paperless process meeting the legal requirements of the “transaction log” as per OCGA.	The goal is to support a move to a paperless environment while maintaining the OCGA requirement for a transaction log with proper approvals, etc.
<b>V. – Use of the Card</b> Opening <b>Page 14</b>	Added language to clarify for card versus non-card account usage requirements.	Needed to allow for effective use of Ghost Cards and ePayables.
<b>V. – Use of the Card</b> V.A. – Recommended Purchases <b>Page 14</b>	New Section - Added recommendation to use P-Card for Team Georgia Marketplace purchases.	Matches recommended language from GPM. Recommended to increase efficiencies of Team Georgia Marketplace.

<p><b>V. – Use of the Card and Related Accounts</b>  V.B – Allowable Purchases  V.B.5.iii. - Alcoholic Beverages for classroom or instructional use  <b>Page 16</b></p>	<p>Added language to provide specific circumstances under which cooking wine and other alcoholic beverages may be purchased for classroom use.</p>	<p>Based on specific input from schools that have a culinary program (tech schools primarily).</p>
<p><b>V. – Use of Card</b>  <b>REMOVED</b>  V.B.9 – Professional Services  <b>Page 17</b></p>	<p><i>Eliminated</i> the prohibition of use of the card for professional services as defined by OCGA §14-7-2(2)</p>	<p>Believed to be originally implemented due to 1099 rules. Can now be eliminated due to changes in 1099 requirements (see below).</p>
<p><b>V. – Use of Card</b>  V.C.8 – Fleet related prohibited purchases  <b>Page 17</b></p>	<p>Added language to clarify mechanical repairs covered by ARI not allowed while permitting body shop repairs not covered by ARI.</p>	<p>Allow for repairs not covered under ARI.</p>
<p><b>V. – Use of Card</b>  V.C.10 – Warehouse memberships  <b>Page 17</b></p>	<p>Added language prohibited use of card to pay for retail or wholesale club memberships.</p>	<p>Needed to prevent possible personal use of memberships.</p>
<p><b>V. – Use of Card</b>  V.G – <i>New Section</i>  <b>Page 18</b></p>	<p>Add policy on convenience fees based on previous communication.</p>	<p>Needed to clarify policy on paying convenience fees as opposed to card fees or surcharges.</p>
<p><b>V. – Use of Card</b>  V.H – <i>New Section</i>  <b>Page 19</b></p>	<p>Ghost Cards</p>	<p>Define and clarify use of Ghost Cards</p>
<p><b>VI. – Program Compliance</b>  VI.D.2 – Full-time employees  <b>Page 22</b></p>	<p>Clarify which state employees are eligible to receive cards.</p>	<p>Primarily for BOR, intent is regular, salaried and/or benefitted employees. Still no temps, contractors, department cards or foundation employees.</p>
<p><b>VII. – Legal Issues</b>  VII.B &amp; C – Background checks &amp; credit checks  <b>Page 23</b></p>	<p>Added requirement for credit and background checks for non-card based accounts.</p>	<p>Self-explanatory</p>
<p><b>VII. – Legal Issues</b>  VII.G – 1099 Requirements  <b>Page 25</b></p>	<p>Added paragraph explaining changes to 1099 requirements.</p>	<p>Responsibility for 1099 reporting shifting from end user to merchants’ bank processor beginning with transaction in 2011.</p>