



DMA Policy: 67010-2

Name: CREDIT CARD POLICY

Reference: DMA Policy 67010-1

State Procurement Card Program Policy

Approval Signature: 

Updated: January 25, 2013

Established: April 20, 1999

1.0 GUIDELINES FOR CREDIT CARD USE

A. CREDIT CARD ACTIVATION

To activate your state credit card you will need to call US Bank at the number provided on the card. You will be asked to enter your card account number and your zip code - 59636, business phone number and social security number. When you are asked for your social security number, you will enter the last four digits of your state employee ID. After this call, your credit card is ready for use.

B. CREDIT CARD USE

The VISA credit card can be used for official purposes at any business that accepts VISA cards. Your credit card has specific spending limits that are determined by state guidelines and your supervisor/program manager. The department credit card coordinator can tell you the spending limits that were set for your credit card.

If you experience denials when trying to use your credit card, contact US Bank customer service with the date, dollar amount, merchant's name and the approximate time of the attempted purchase. They will be able to investigate to see if the merchant category or spending limits caused the denial. To change your spending limit your supervisor must send a written request to the credit card administrator.

C. TRANSACTION PROCEDURE

When you make a transaction using the credit card, please follow the procedures below:

1. Always make sure the invoice and credit card slip are for the same amount of money.
2. When making phone or mail orders the cardholder should instruct the vendor to:
 - a. Send the invoice to the attention of the cardholder if the package is sent to someone other than the cardholder.
 - b. Include the credit card slip inside the package if the package is being sent to the card holder.
3. Credit card charges cannot be split in order to avoid exceeding your individual spending limit or to avoid the state procurement policy guidelines.

4. All transactions must have an understandable description, (i.e. books, screws, light bulbs, etc). Part numbers are not acceptable because they do not provide enough information for finance personnel to be able to correctly code the transaction to the State Accounting Budget and Human Resource System (SABHRS). If the transaction description on the invoice is a part number, briefly describe on the invoice or separate piece of paper what is being purchased.
5. When a purchase is made for someone other than the cardholder the original invoice must be submitted to the Centralized Services Division (CSD) through the division requesting the purchase. The invoice must have the appropriate division coding and authorizations when submitted to CSD.
6. Once a credit card purchase has been made, the original credit card invoice must be coded and submitted to CSD for entry into SABHRS prior to the close of the credit card cycle on the 24th of each month. A memo or purchase order can be submitted for phone, mail and email purchases where an invoice is not yet available. The original invoice must be submitted when it is received. Programs are responsible for developing and following procedures which ensure timely submission of documentation for their credit card purchases.
 - a. The first time adequate documentation is not received by the 24th of the month the cardholder will be notified by email of the missing documentation.
 - b. The second time adequate documentation is not received the cardholder and the cardholder's supervisor will be notified by email of the missing documentation.
 - c. The third time adequate documentation is not received the cardholder and the cardholder's supervisor will be notified and the credit card will be inactivated.
7. When documentation for transactions is not received in adequate time to be entered into SABHRS, the transaction will post to the program's default coding in SABHRS. It is the responsibility of the program to provide CSD with a journal request to move the transactions from the default coding to the appropriate coding. The original credit card invoice must be submitted with the journal request no later than the 15th of the following month.

D. AVOIDING DUPLICATE PAYMENT

Duplicate payments are unacceptable. Duplicate payments occur when the cardholder doesn't clearly indicate that an invoice is a credit card charge and the invoice gets paid with a warrant/check and also in the credit card system. If this happens, CSD will notify the cardholder, along with their supervisor, that there has been a duplicate payment. If this happens more than twice, the card will be suspended for three months or permanently canceled depending on the level of non-compliance.

Credit Card or CC must be written in the top right hand corner of the invoice so that it is easily seen by finance personnel processing the invoice.

2.0 WHAT CAN NOT BE PURCHASED USING THE CREDIT CARD?

The credit card can not be used for any of the following:

- A. Personal use
- B. Cash advances
- C. Any state-related travel costs that exceed the authorized limits (i.e. meals or lodging over the authorized state rate)
- D. Health and medical services
- E. Standard merchant category exclusions (e.g., liquor stores, cigar stores, etc.)

3.0 CREDIT CARD SECURITY

The credit card must always be treated with a level of care that will reasonably secure the card and account number.

- A. **STORAGE OF THE CREDIT CARD**
Keep your credit card in an accessible – but secure – location.
- B. **CREDIT CARD ACCOUNT NUMBER**
Guard the credit card account number carefully. Do not post it at your desk or write it in your day planner.
- C. **SHARING (OR USE BY SOMEONE OTHER THAN THE CARDHOLDER)**
The only person authorized to use the credit card is the person whose name appears on the face of the card. Do not lend your credit card to another person for use. Use of the credit card by someone other than the cardholder is cause for suspension and/or forfeiture of the card.
- D. **LOST OR STOLEN CARDS**
Lost or stolen credit cards must be **reported immediately** to US Bank at 1-800-344-5696 (24 hours a day access). Notify your supervisor and/or the credit card administrator as soon as possible.

4.0 WHAT IF I LEAVE THE DEPARTMENT OF MILITARY AFFAIRS OR NO LONGER NEED MY CARD?

The credit card must be turned in to the cardholder's supervisor or the credit card administrator no later than the last day of employment with the department.

The supervisor is responsible for ensuring the credit card administrator is notified when an employee's card should be canceled.

5.0 DISPUTED ITEMS

The cardholder is responsible for contacting the vendor and resolving all disputes that occur when credit with the credit card. The credit card administrator must be notified of all disputes. This needs to be done promptly.

6.0 CREDITS FOR RETURNED ITEMS

When an item purchased with a credit card is returned the vendor must issue a credit to the credit card and provide the cardholder with a credit invoice. All credit invoices must be turned in as if they were a purchase invoice.

7.0 TRAINING

All Department of Military Affairs employees who are credit card holders must attend mandatory credit card training before receiving their credit card.

In addition to credit cardholders, all administrative/accounting personnel who are responsible for processing credit card charges must attend the same training.

Training can be scheduled by calling the credit card administrator in CSD.

8.0 ENFORCEMENT

Consequences for violations of this policy include, but are not limited to, cancellation of credit card privileges, reimbursement for any improper use, disciplinary action up to and including termination, and possible criminal charges.

9.0 WILL THE CREDIT CARD HAVE ANY IMPACT ON THE CARDHOLDER'S PERSONAL CREDIT REFERENCE?

NO. The credit card is a corporate card, not a personal card. However, the cardholder is responsible to use the credit card in a manner approved by the State and Department of Military Affairs. (See your cardholder agreement)

Credit Card Administrator

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