


LOCAL PURCHASING CARD – POLICIES AND PROCEDURES

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A BRIEF HISTORY

- Local P-Card Division moved under the Chief Inspector Division in fall 2015.
- Program started in 2009.
- Currently the banking services related to this program are out to bid.



SPEND LEVELS

- [Copy of LG P-CARD STATS thru FY2018 \(003\).xlsx](#)



ADVANTAGES

- Rebates
- Centralized Purchasing
- Possible controls over credit limits and MCC Codes
- Different card types for different users (i.e. Fleet; declining balance; ghost accounts, **virtual cards**).
- Integration with accounting system.



DISADVANTAGES

- Multiple control environments
- Improper review.
- Still pushing paper!
- Card number compromised.
- FRAUD.



Addressing Fraud

- VISA Products (fraud scores).
- WVSAO Review of Financial reports
 - Common Sense Review.
 - ACL Data Analytics (Scripts) – Project already running – fine tuning.
- Purchasing Card Reviews. Free and we will do at request.



ADDRESSING FRAUD

- Increased Training and Tracking of Training.
 - All PCs trained. (Live or web based)
 - All cardholders trained. (Live or web based)
- Building Controls in Electronic Platforms.
 - a. Uploading receipts.
 - b. Cardholder approval of transactions.
 - c. Supervisor approval of transactions and coding.
 - d. Accounting or PC approval of transactions.
 - e. Posting to the general ledger (export files).
 - f. Blocking/ Allowing certain MCC Codes



ADDRESSING FRAUD

- Adopt Policies and Procedures governing purchasing card use.
 - WVSAO to provide minimum baseline standards that can be tailored for your government. Filed centrally.



AREAS TO IMPROVE

1. Ensure governments have adequate policies and procedures to govern P-Card use.
 - a. Minimum set of standards developed by WWSAO. Filed centrally.
2. Ensure Purchasing Card coordinators AND Cardholders are trained.
3. Stop pushing paper. (i.e. account maintenance forms etc..) We will come assist you in setting up electronic platform.
4. Card utilization reports (identifying vendors entities could pay with the card.
5. Vendor outreach programs.
6. Improve integration with general ledger system.



POLICIES AND PROCEDURES

- Current minimum standards are 15 pages (not counting exhibits).
- Highlights [LG-PC PnP final draft 2017 STS 07112018.docx travel section.docx](#)
- [expense template2.xlsx](#)
- Section 3.6 Travel – Entities should have a separate policy that governs travel. This section simply identifies the type of travel expenses you can use for your P-Card. Probably have additional information in there for school trips.
- Section 3.7 Hospitality - [Exhibit I - request for Hospitality service.xlsx](#)



POLICIES AND PROCEDURES

- Section 3.8 Usage Restrictions [Usage restrictions.docx](#)
- Section 4.1 Documentation Requirements [Documentation Requirements.docx](#)
[Exhibit H - Local Gov Log Sheet rev 2018.pdf](#)
- Section 5.1 Fraud [Fraud.docx](#)



Going Forward

- Award Bank Contract
- Modify P&P
- Decrease paper forms/electronic maintenance
- Develop online training modules
- Site Visits to:
 - Assist in card utilization
 - Assist in setting up E-payables
 - Assist with P&P
 - Assist in setting up electronic platform.
 - General ledger integration



Contact

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- I am going.....

