

 <div> PA TURNPIKE COMMISSION POLICY <i>This is a statement of official Pennsylvania Turnpike Policy</i> </div>		NUMBER: 10.03 APPROVAL DATE: 10-19-10 EFFECTIVE DATE: 10-19-10 REVISED DATE: 02-21-2017
POLICY SUBJECT: 10.03 – Purchasing Card (PCard) Program	RESPONSIBLE DEPARTMENT: Strategic Sourcing and Asset Management	

A. PURPOSE:

This policy letter establishes policy and procedures and defines responsibilities for the operation of the Commission PCard program.

B. SCOPE:

This policy applies to all departments participating in the Commission PCard program. The Commission's PCard program is a corporate liability program. As a result, use of the card has no effect on the employee's personal credit.

C. GENERAL POLICY:

1. The Finance Department shall administer a program whereby designated employees can use a credit card, issued in the name of the Commission, to pay for goods and services acquired in accordance with Commission procurement policy. This program is called the Pennsylvania Turnpike Commission PCard program.
2. Departments may participate in the program upon approval from the Chief Financial Officer.
3. Departments may authorize the issuance of PCards to employees whose activities require them to obtain goods and services for the Commission.
4. The PCard may be used to pay for the procurement of those goods and services that are needed on an urgent basis and not as an alternative to proper planning. The PCard will be limited to \$2,000 per transaction and \$10,000 per billing cycle. Purchases may not be split to remain below the \$2,000 transaction limit.
5. The PCard may also be used for non-urgent purchases when determined by the Strategic Sourcing and Asset Management (SSAM) Department to be the most efficient purchasing

method. Efficient purchasing methods must be approved in writing by the SSAM Department for common situations or single occurrences. Examples of efficiencies include:

- a. Payment for services or materials required by the Commission from a vendor that will not accept a purchase order (e.g. webinars and training materials).
 - b. Established procurement procedures that are tied to a contract or agreement negotiated by SSAM (e.g. tires and ready-mix concrete).
 - c. Purchase of materials and supplies for unforeseen circumstances above and beyond planned work (e.g. remote work sites).
6. The PCard should not be used to pay for PTC purchase order obligations.
 7. PCard users are obligated to compare pricing and seek the best value for the Commission whenever possible.
 8. Manager PCards will be held by a limited number of employees who respond to procurement needs during a CEO or COO Declared Emergency. The declaration should be made to the Commissioners, all Chief Officers and all Department Directors.
 9. The Manager PCard will be limited to \$10,000 per transaction and \$50,000 per billing cycle. There are no limitations on where the card can be used. Cash advances up to \$5,000 are available at any bank or ATM with a Personal Identification Number (PIN).
 10. When using a Manager PCard during a Declared Emergency, standard bid requirements are waived, and emergency procurement rules apply.
 11. The PCard or Manager PCard may not be used to pay for personal or non-Commission expenses or to obtain cash. **IMPROPER USE OR PERSONAL USE OF THE CARD MAY RESULT IN REVOCATION OF PCARD AND MANAGER PCARD PRIVILEGES AND DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION, AS WELL AS CRIMINAL PROSECUTION.**

D. DEFINITIONS:

Cardholder – An employee who has been issued a PCard for approved Commission purchases.

Card Issuer – The financial institution that extends the credit to the Commission backing the PCards.

CEO or COO Declared Emergency – A determination by the CEO or COO in response to a natural or man-made disaster.

Department Coordinator – An employee who has been designated to work with the Program Administrator regarding PCard issues.

Manager PCard – A PCard issued to a limited number of employees who respond to procurement needs during a CEO or COO Declared Emergency.

PCard – A credit card issued in the name of the Commission and used by authorized employees to pay for goods and services acquired in accordance with Commission procurement policy.

Program Administrator – The SSAM Department manager, or his/her designee, who has been designated to manage the PCard program and act as the liaison to the Card Issuer.

SSAM – Strategic Sourcing and Asset Management Department analyzes spending information and strives to make commodity and service acquisitions efficiently and effectively while optimizing performance and minimizing price.

Urgent Purchase– A purchase is considered urgent if the goods or services are required to respond to a pressing or imperative situation requiring immediate action or attention and cannot be expected to be obtained through the normal purchasing process.

E. PROCEDURES:

1. Department Coordinators may request PCards/Manager PCards by sending to the Program Administrator the completed form, “*Employee Procurement Card Usage Rules*” or “*Manager Procurement Card Usage Rules*” for each employee designated to be a Cardholder. The Program Administrator will complete and forward the required request form(s) to the Card Issuer.
 - a. The Card Issuer will send the PCard to the Program Administrator. The Program Administrator will update records in SAP to indicate a new Cardholder and send the PCard to the Cardholder. The Cardholder will keep the PCard secure.
 - b. The PCard should be in a location only accessible by the Cardholder.
 - c. The PCard number and expiration date should never be written on a FAX order or email.
 - d. The PCard should not be used by any employee other than the Cardholder.
2. If the PCard is lost or stolen, the Cardholder must immediately call the SSAM Program Administrator and the Cardholder’s direct supervisor.
3. The Cardholder may use the PCard for an Urgent Purchase. Need is based upon efficiency or safety issues. The PCard may also be used for non-urgent purchases when determined by the SSAM Department to be the most efficient purchasing method as described in C.5 above. The PCard shall not be used to circumvent the normal PTC purchasing or Emergency PO process and is not to be used as an alternative to proper planning. Also, items that are maintained in stock shall not be purchased by a PCard.

4. The Cardholder may use the Manager PCard to respond to procurement needs during a CEO or COO Declared Emergency. The COO will approve requests for employees to obtain Manager PCards.
5. After the CEO or COO declares the emergency conclusion, the SSAM Department manager or designee will prepare a report of all contracts and purchases made during the emergency or disaster and submit it to the CEO or COO for subsequent approval.
6. A copy of the written CEO or COO's declaration of the emergency should be included in the relevant procurement contract files.
7. The Compliance Department will perform a special audit of all contracts and purchases made during the Declared Emergency.
8. Within 5 days of a PCard and Manager PCard purchase, the Cardholder, Department Coordinator or designee must complete a shopping cart to reflect the purchase. Any documents related to a purchase MUST be attached to the shopping cart including an itemized receipt, credit card receipt (if available) and supervisory approval.
9. If a credit is issued for a purchase, a memo must be sent to purchasing@paturndpike.com to identify the purchase order to be matched with the credit. This means that even when the full amount is credited, i.e. an item is returned, a shopping cart must be entered so that the charge and credit transaction can be matched to it. When a credit is issued for less than the full original charge, it is preferable that the vendor credits the full amount of the original purchase and then charges the correct amount.
10. Cardholders will receive monthly statements directly from the Card Issuer. The Cardholder must verify the transactions listed on the statement with the shopping carts entered in SAP. If a charge appears on a statement that is not authorized, the Cardholder must contact the Program Administrator within two business days. The Program Administrator will dispute the charge with the Card Issuer. All disputes must be made to the Card Issuer within 60 days.
11. Terminated employees must immediately return the PCard to their direct supervisor. The supervisor should cut the card in half and forward the parts to the Program Administrator.
12. The monthly payment to the Card Issuer will be made centrally. Expense allocations will be dependent upon the successful matching of a charge transaction to a PCard shopping cart entered in SAP by the using department. Matches of charge transactions and shopping carts are performed via SAP function that compares the Cardholder name, the dollar amount, and the transaction date for a successful match. Transactions that do not match to a shopping cart must be manually resolved.

This Policy Letter supersedes all previous Policy Letters on this subject.