



PA TURNPIKE COMMISSION POLICY

This is a statement of official Pennsylvania Turnpike Policy

NUMBER: 10.03

POLICY SUBJECT:

10.03 – Purchasing Card (PCard) Program

RESPONSIBLE DEPARTMENT:

Strategic Sourcing and Asset Management

APPROVAL DATE: 10-19-10

EFFECTIVE DATE: 10-19-10

REVISED DATE: 05-04-2021

A. PURPOSE:

This policy letter establishes policy and procedures and defines responsibilities for the operation of the Commission Purchasing Card (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 PCard 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 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. The Pcard may not be used for cash advances.
5. The COO will approve requests for employees to obtain Manager PCards. 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. Upon approval from the CEO, COO or CFO, cash advances up to \$5,000 are available at any bank or ATM with a Personal Identification Number (PIN). The Manager Pcard may only be used for purchases related to a Declared Emergency.

D. DEFINITIONS:

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

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

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

Declared Emergency - A declaration made by the Chief Executive Officer (“CEO”) or Chief Operating Officer (“COO”) that a Disaster or Emergency Situation has occurred, and emergency procedures should be initiated.

Disaster - A Disaster is a natural or man-made (or technological) hazard resulting in an event of substantial extent causing significant physical damage or destruction, loss of life, or drastic change to the environment. Examples include weather related events and facility or infrastructure damage due to fire, flood, or terrorist activity.

Emergency Situation – An Emergency Situation is a situation that poses an immediate risk to health, life, property or environment. Examples include supporting other communities in dealing with their own disasters, significant infrastructure breakdown such as the loss of the Commission communication network, a work stoppage situation and pandemic.

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 the SSAM manager designee, who has been designated to manage the PCard program and act as the liaison to the Card Issuer.

Shopping Cart – A request entered through SRM/SAP.

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

Urgent– 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.
 - b. The PCard should not be used by any employee other than the Cardholder.
2. **Lost or Stolen Cards:** If the PCard is lost or stolen, the Cardholder must immediately call the Program Administrator and the Cardholder's direct supervisor.
3. **PCard Shopping Carts:** Within 5 days of a PCard and Manager PCard purchase, the Cardholder, Department Coordinator, or designee must complete an SRM shopping cart to reflect the purchase, following the specific procedures for PCard shopping carts. Any documents related to a purchase MUST be attached to the shopping cart including an itemized receipt and credit card receipt (if available).
4. **Credits and Returns:** If a credit is issued for a purchase, a memo must be sent to purchasing@paturnpike.com to identify the PCard purchase order number 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 for the original purchase amount so that the charge and credit transactions can be matched and cleared.
5. **Statement Reconciliation:** Cardholders or designee will receive monthly bank reconciliation statements directly from the Card Issuer. The Cardholder or designee must verify the transactions listed on the statement with the shopping carts entered in SAP. Receipts for each transaction must be attached to the bank reconciliation statement. The bank reconciliation statement must be reviewed and signed by the Cardholder's supervisor.
6. **Unauthorized charges:** The Cardholder, designee, or Program Administrator will identify and review any possible unauthorized charges. If necessary, the Program Administrator will dispute the charge with the Card Issuer. All disputes must be made to the Card Issuer within 60 days of receipt of the bank reconciliation statement.
7. **Appropriate PCard Use:**

- a. The PCard should not be used to pay for PTC purchase order obligations or items that are maintained in inventory at PTC warehouses. SSAM should be consulted for repetitive purchases of non-inventory items.
- b. The PCard may be used to pay for the procurement of those goods and services that are needed on an Urgent basis. 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.
- c. The PCard may also be used for non-Urgent purchases if all other standard procurement options have been researched and exhausted or it has been determined by the cardholder or the cardholder's supervisor to be the most efficient and most cost-effective procurement method. SSAM should be consulted if there are any questions. Examples of established efficiencies include:
 - i. 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).
 - ii. Procurement procedures that are tied to a contract or agreement negotiated by SSAM (e.g. tires and ready-mix concrete).
 - iii. Purchase of materials and supplies for unforeseen circumstances above and beyond planned work (e.g. remote work sites).
- d. PCard users are obligated to compare pricing and seek the best value for the Commission whenever possible.
- e. There are limitations to the types of merchants where PCards can be used. Certain merchant codes have been restricted to avoid inappropriate use. If a card is declined during an authorized purchase, PCard users must contact the Program Administrator.
- f. **Declared Emergencies:**
 - i. The Cardholder may use the Manager PCard to respond to procurement needs during a CEO or COO Declared Emergency. When using a Manager PCard during a Declared Emergency, standard bid requirements are waived, and emergency procurement rules apply.
 - ii. After the CEO or COO declares the emergency, the SSAM Department manager or designee will record all contracts and purchases made during the emergency or disaster and submit a report to the CEO or COO for subsequent review/approval.
 - iii. A copy of the written CEO or COO's declaration of the emergency shall be included in the relevant procurement files.
 - iv. The Compliance Department will perform a special audit of all contracts and purchases made during the Declared Emergency.

- g. The PCard or Manager PCard may not be used for personal or non-Commission purchases. **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.**
 - h. The PTC Compliance Department shall audit all Pcard transactions. The Pcard Program Administrator shall monitor Pcard transactions. If an issue is found, it should be resolved with the cardholder and the cardholder's supervisor.
8. Employees must immediately return their PCard to their direct supervisor upon termination of their employment. The supervisor must forward the PCard to the Program Administrator.
9. The monthly payment to the Card Issuer will be made by Accounts Payable. 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.