

Program Administrator: Effectively Managing Your Program



Commonwealth of Virginia
Annual Card Summit

March 13, 2013

Agenda

□ Understanding Your Role

□ Program Controls

- Hard Controls (Card Maintenance)
- Soft Controls
- Detective Controls

Understanding Your Role: What is the Purchasing Card?

- Multipurpose bank card aimed at streamlining the traditional purchase order and payment processes for lower-dollar transactions.
- Based on standard Visa/Mastercard credit card
- Provides enhanced internal controls & reporting
- Purchasing Cards are given to employees to acquire goods and services for their organization
- Central bill/Central pay/Corporate liability
- Not simply a credit card, it's a payment tool

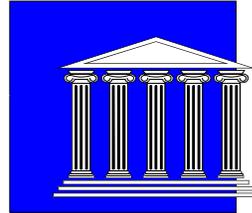
Understanding Your Role: Who is the Program Administrator?

- The individual(s) who is registered with Bank of America and the Department of Accounts as the only person(s) authorized to make changes (e.g. add or cancel cards, change card controls, etc) for the SPCC program at the agency or corporate account level;
- The individual(s) who sets appropriate transaction and credit limits on each card based on the cardholder's buying needs and reviewing the same at least on an annual basis;
- The individual(s) who educate themselves, cardholders, supervisors/reviewers and shares information pertaining to the card program and industry updates;
- The individual(s) who reviews and audits the transactional data to ensure the purchases are valid, in compliance to policy and contracts (if applicable);
- The individual(s) who ensures monthly bill is paid timely, communicates with CCA Teams, resolves vendor issues and promptly notifies Bank of America and DOA of any issues of suspected fraud.

Understanding Your Role: Card Transaction Flow



Authorization



Associations
(Visa/Master Card)



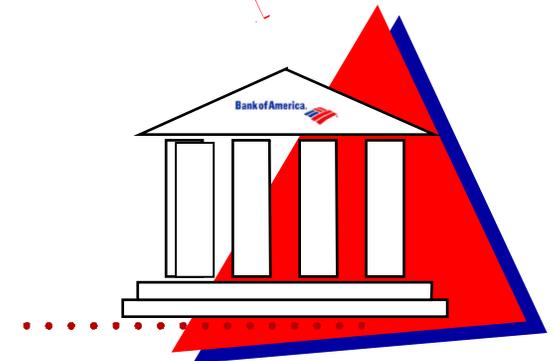
Total Systems
(TSYS)



Merchant



Paper Statements
Works Payment Manager



Agenda

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Hard Controls: Card Maintenance - Issuance



A New Employee may join your organization and their job function requires they have a SPCC, Gold Card , Air and Rail (ATC) and/or Individual Liability Travel Card (IL). Have the employee complete the Purchasing Charge Card Request Form, Purchasing Card Employment Agreement (or applicable form) and applicable trainings. The card will be mailed to the Program Administrator (should be received within 7 days), who will pass along to cardholder for activation.

Note: IL Travel cards will be mailed to the cardholder's home address.



An Employee's Role Change within the organization may also necessitate the need for the issuance of a card.

Note: Please alert HR when a card is issued so at separation this can be included on the checklist of items to retrieve.

Hard Controls: Card Maintenance - Changes



Name Changes will result in changes to your card. The Program Administrator should obtain themselves or verify that sufficient documentation exist sthat the name change was legal.

Should a new card be ordered?



Profile Changes will result in changes. Profile changes include CL increases, STL increases, limit decreases, MCC restriction removals or additions.

Profile changes below a certain threshold (\$100,000) can be performed by the PA. Sufficient documentation authorizing the change should be on file with any change. If the change is permanent, the cardholder should complete a new Purchasing Charge Card Request Form and Purchasing Card Employment Agreement Form.

Note: Only DOA can make profile changes for Gold Cards and IL cards.

Hard Controls: Card Maintenance - Suspension



When there is evidence of **fraud** or **non-compliance** of policy.



Cardholder is on **extended leave** such as disability, medical, etc.



Cardholder 's use is **seasonal** and they are not currently in season.

* Supervisor should keep PA apprised of cardholder status.

Hard Controls: Card Maintenance - Cancellation



If the card has not been used over a certain period of time, **Inactive cards** should be cancelled as this is an indication the card is no longer needed.



Termination would be another reason a card should be cancelled. The card should be returned to the PA or supervisor for destruction. The PA should close the account in Works to prevent further use.

Note: The PA should ensure all outstanding balances are collected from the cardholder's last pay for IL cards

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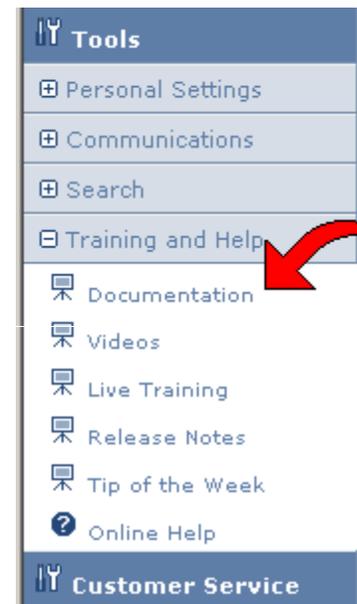
Understanding Your Role

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Soft Controls

- ❖ CAPP Manual
- ❖ Agency Policy and Procedures
- ❖ Cardholder Agreements
- ❖ Certifications
- ❖ Knowledge Center Training
- ❖ Works Training
- ❖ Information Sharing



Volume No. 1—Policies & Procedures	TOPIC NO.
Function No. 20000—General Accounting	TOPIC PURCHASING CHARGES CARD
Section No. 20300—Cash Disbursements Accounting	DATE February 2011

Soft Controls: Certification Deadlines

1

Annual Training Certification - **April 30**

2

Annual Cardholder Review Certification – **June 30**

3

Annual Purchase Cardholder Review – **June 30**

4

Annual Travel Cardholder Review – **June 30**

5

Annual Multiple Cards Cardholder Review – **June 30**

Agenda

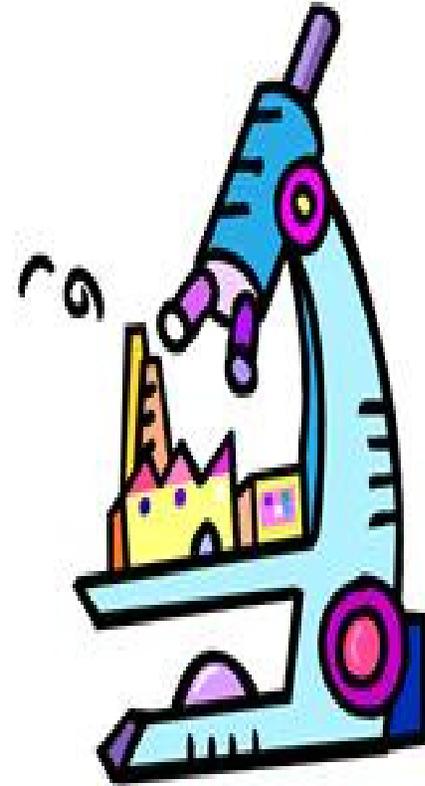
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Detective Controls

- Back end Reporting
- Monitoring
- Decline Reports
- Authorization Logs
- Audit Reports
- Supervisor Review



Detective Controls



Folder icon First Line of Defense: Supervisor Review

Folder icon Know the cardholder limits

Folder icon What are allowable vs. unallowable expenses



Personal items



Fraud



Catering/Food



Flowers



Gifts



Travel



Rentals



Alcohol



Charges associated with staff functions



Coffee for department use



Gas



Hotels

Detective Controls

- Ensure amounts between cardholder statement equal supporting documentation,
- Ensure all the transactions are accounted for,
- Validate receipts are originals,
- Is the expense related to the cardholder's role in the organization? Is it a valid business expense?



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Bank of America

500100AMF DIV TEST02
 500100AMF DIV TEST02
 CON NEWELL 20891201 R WORKMAN
 4402 WALNUT VALLEY RD
 2 COMMERCIAL PL
 HOT SPRINGS NATIONAL PARK
 HOT SPRINGS NATIONAL, AR 71915-8140

September 27, 2011 - September 26, 2011

Corporate Card **Cardholder Activity**

Account Information	Payment Information	Account Summary
Mail Billing Inquiries to: BankCard CENTER PO BOX 98228 EL PASO, TX 79998-2228 Customer Service: 1.888.480.2273 24 Hours TTY Hearing Impaired: 1.800.227.9615 24 Hours Outside the U.S.: 1.509.253.8859 24 Hours For Lost or Stolen Card: 1.888.480.2273 24 Hours	Statement Date 09/09/11 Credit Limit \$100 Cash Limit \$90 Days in Billing Cycle 3 Total Activity \$2,194.02 THIS IS NOT A BILL - DO NOT PAY	Credits \$0.00 Cash \$107.83 Purchases \$2,096.96 Other Debits \$0.00 Cash Fees \$5.00 Other Fees \$22.39 Total Activity \$2,194.02 Accounting Code TESTING TESTING TESTING TESTING TESTING ALL FIELDS ARE POPULATED TO

Important Messages

ATTENTION Your account is in dispute for \$107.83.

Reminder to all Bank of America associates: This card is for business use only. Misuse will result in disciplinary action including termination. Personal use and/or late payment of outstanding balance of Bank of America Visa card violates company policy and may result in discipline up to and including discharge.

Posting Transaction Date	GBP	Description	Reference Number	MCC	Charge	Credit
09/29	09/29	CASH ADVANCE FROM				
09/29	09/29	BOA ATM				
09/29	09/29	TALBOT ST GBR	2481043127138357476186	8011	107.83	
09/29	09/29	0815 73.37 GBP 0.887967			5.00	
09/29	09/29	FINANCE CHARGE** CASH ADVANCE FEE	2481043127138357476186	0061	7.33	
09/29	09/29	INTERNATIONAL SERVICE FEE	2481043127138357476186	0001	1.96	
09/29	09/29	BRITISH AIRWAY E TICKET LONDON	2481043127138357476186	1104	1.96	

00000000 00000000 00000000 1024410000001599

Account Number: 4024410000001599
 September 27, 2011 - September 26, 2011
 Total Activity \$2,194.02

BANK OF AMERICA
 PO BOX 9573
 WILMINGTON, DE 19899-0571

500100AMF DIV TEST02
 CON NEWELL 20891201 R WORKMAN
 4402 WALNUT VALLEY RD
 2 COMMERCIAL PL
 HOT SPRINGS NATIONAL PARK
 HOT SPRINGS NATIONAL, AR 71915-8140

Cardholder Signature _____ Date _____
 Manager Signature _____ Date _____

This is an electronic reproduction of your statement and may not contain all of the disclosures included with your original statement.

Detective Controls

Electronic Controls Available to the PA:

- Online Reconciliation
- VISA Intellink
- WORKS Audit Reports



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QUESTIONS ??????