

Quarterly Purchasing Card Administrators' Meeting

Tuesday, May 17, 2011 – 9:00-Noon

Betty Easley Conference Center, Room 166

AGENDA

Introductions

Outstanding Items

- ITN Update
- National Association of Purchasing Card Professionals Membership Update
- MRE Training
- Financial Disclosure for Emergency Cards/Limits

New Items

- Legislative Update
- Sales Tax Exemption Issues
- Emergency “Real Time” Changes
- Travel
 - Cardholders Designated as “Travel Agents”
 - Population of SSNs in PCard Module
- Overrides/Vendor-forced Transactions
- IRS Levies—Process
- Certification of Services
- MCCs
 - Authorization for Restricted MCCs—Process
 - MCCG Changes—Process
- Bank Contact Processes
- Address Confirmations
- Questions/Other Discussion

NOTE: We will be providing only bottled water for the meeting, since DMS prohibits food in the conference rooms. During the break, food and beverages are available from vending machines or next door in the cafeteria.

Quarterly Purchasing Card Administrators' Meeting

Minutes

Tuesday, May 17, 2011 – 9:00-10:30
Betty Easley Conference Center, Room 166
Facilitator: Marie Walker

Introductions

Outstanding Items

- **ITN Update** – The current agreement has been extended until January 6, 2013. David Bennett, Department of Management Services (DMS), added that negotiations have been halted until further direction from management to move forward; however, the solicitation has not been cancelled.

- **National Association of Purchasing Card Professionals Membership Update** – The Statewide PCard Administrator's Office has provided information to DMS regarding the membership and asked if DMS could register as a provider member and the agencies could join at a reduced rate as associates.

- **MRE Training** – The Statewide Office has a meeting with the FLAIR education group Thursday about an introductory MRE class. Christina Smith, Division Director of Accounting & Auditing, has suggested that the class may be "live" one time and then become an on-line offering.
Also, there are new (or improved) Web Reports coming to the PCard website. FLAIR is adding parameters to the Unpaid Charges Report and has created a new report, Active Cards with No Activity.

- **Financial Disclosure for Emergency Cards/Limits** – At the 11/3/10 Administrator's Meeting, Administrators were advised to ask their agencies' legal staff or human resources to determine if financial disclosure is required for emergency cards or increasing a cardholder's limit for an emergency situation. Department of Health requires cardholders to file a financial disclosure for this situation, while Department of Agriculture and Consumer Services lowered the Single Transaction Limit (STL) to \$19,000 so the cardholders were not required to file a financial disclosure.

New Items

- **Legislative Update** – The PCard program was included in an Inspectors General bill, moving the program administration from Department of Financial Services (DFS) to DMS, but the legislation never went to the floor.

- **Sales Tax Exemption Issues** – Recently, a couple vendors did not honor the sales tax exemption because it says “Department of Management Services” on the certificate (not the purchasing agency’s name). The Statewide Office is discussing possible resolutions with DMS. In the meantime, agencies should apply the following guidance from the Reference Guide:
 - *“It is the responsibility of the cardholder to make the Florida vendor aware of the tax exemption. In the event the vendor refuses to grant the tax exemption, the cardholder may allow the tax to be charged on his/her purchasing card.*
 - *“DFS believes it is not cost effective for an agency to seek a credit from the vendor for the Florida sales tax charges when the amount is \$100 or less. However, an agency may elect to establish a lower dollar amount for seeking a credit for the tax.”*

The cardholders need to document attempts to receive credit for tax. The Statewide Office will post a letter on the PCard website if the situation changes.

- **Emergency “Real Time” Changes** – With hurricane season approaching, Agency Administrators were reminded of the policies and procedures for emergency “real time” changes on the “Administrator Only” page of the PCard website. **REMEMBER: This process is for a declared state of emergency, per an Executive Order by the Governor** (not an agency’s internal emergency).
- **Travel –**
 - **Cardholders Designated as “Travel Agents”** – There is conflicting guidance in different resources related to this topic. If an agency uses “travel agents” who arrange travel for multiple people, it should be part of the agency’s approved plan—so that everyone knows how the process is being handled and where the controls are in place. The Statewide Office will work on correcting the conflicting guidance.
 - **Population of Social Security Number (SSN) in PCard Module** – Recently, the SSN has not been automatically populating in the sub-vendor field for some travel-related charges. The Statewide Office researched the issue with FLAIR and BOA and it appears that some vendors are not providing the necessary information to trigger the FLAIR edits to populate the field. The Statewide Office is filing a request with FLAIR for the edit changes, with hopes that the request will be addressed quickly due to the confidentiality nature of cardholders’ SSNs. It was also noted that new employees may not have SSNs in the VE File. There are also possible FLAIR enhancements being discussed in the FLAIR User Group meeting to use employees’ PeopleFirst IDs, instead of SSNs.

- **Overrides/Vendor-forced Transactions** – If an override is needed due to a vendor’s MCC, the agencies should e-mail the Statewide Office, who will then inform the bank that the override is approved. (Bank of America is not aware of the state’s restricted MCCs.) The bank will e-mail directions to the agency for the vendor to call to get an authorization to allow the charge to go through. After hours, the agencies should call the bank’s customer service department. Agencies may need to create an MCCG for particular cardholders in order to open MCCs that are routinely requiring overrides.

Vendors can force a charge through without an authorization, although it is against policy and they lose any protections. Agency Administrators can file a complaint against the vendor on the NOTIFICATION OF CUSTOMER COMPLAINT FORM (on the PCard website). Visa uses the information on the Complaint Forms to compile information.

- **IRS Levies (Cheri Greene)** – DFS receives notices daily of IRS levies placed on vendors, some of which do not do business with the State of Florida. Flags are placed on the vendors in FLAIR to ensure that any payment made to the vendor is scheduled to the U.S. Treasury. PCard payments cannot be flagged, as the vouchers are paid to the bank and not the vendor. (The bank is responsible for flagging the vendors.) If a PCard is used at a vendor flagged for levies, the Agency Administrator will be contacted by DFS and should inform the cardholder not to use that vendor.
- **Certification of Services (Cheri Greene)** – All payments for contractual services must have the contract manager’s certification that the services were satisfactorily received, which is included on the contract summary form. The following purchases also need a statement from a person with direct knowledge that the goods/services were satisfactorily received:
 - One-time service purchases
 - Utilities – including electric, phone, garbage, etc.
 - Leases
 - Services paid with commodity object codes

The full contract manager’s certification statement is not required for these types of purchases; however, a statement that “goods/services were satisfactorily received” should be included with these payments. Agencies can use a certification stamp, if it is signed and dated by personnel with knowledge of the receipt of the goods/services. The “okay to pay” or 3-date stamp is sufficient for financial purposes only; they do not take the place of the certification statement. Agencies may include in their procedures that Levels 2, 3, or 4 approvers certify the receipt of goods/services, if the approver is the contract manager. PCard payments have the same

requirements as paper vouchers. Payments for commodities should include receiving reports, as required by CFOM #2 (2007-08).

- **MCCs** – If an MCC needs to be opened permanently (whether it is statewide restricted or not), send a request to Marie Walker, along with the MCCG form. The Statewide Office will review the request and e-mail the bank if it is approved. In the past, some Agency Administrators sent the requests directly to the bank if the MCCs were not statewide restricted. The bank does not maintain a list of what is restricted statewide and some MCCs are contractually prohibited. The Statewide Office has also received some MCCG forms that did not include all of the correct MCCs. The review will help avoid mistakes.

- **Bank Contact Processes** – Jane Ritter is the primary contact at BOA. When calling Jane, if she does not answer and immediate assistance is needed press “0” for team servicing. Do not contact the Jane’s back-up (Robbie Rankins) unless directed by Jane’s voicemail or e-mail. Robbie has her own set of clients and should only be contacted if Jane is out of the office.

- **Address Confirmations** – There are discrepancies between the addresses being maintained by Bank of America and the Administration Unit (AU) records of the Purchasing Card Module. The AU file is used for cardholder address verification, while the bank maintains a separate file for FEDEX deliveries. During a review of each agency’s addresses, the Statewide Office also looked at the addresses include on the payment file received daily from the bank. In order to get everyone’s addresses in sync and correct any wrong addresses, the Statewide Office will be e-mailing the Agency Administrators to verify the addresses on file for each agency.

- **Questions/Other Discussion** –
 - There was a consensus to continue with the quarterly meeting format.
 - The annual representation letters will be sent to the agency heads later this year, most likely in the fall. The Statewide Office wanted to let the new agency heads get settled in their new positions and set up the representation letters on a fiscal year cycle. The agency’s Purchasing Card Plans do not need to be updated annually, unless the plans are not aligned with the representation letters. A meeting with the Administrators will be held in August to discuss the expectations of the representation letters.
 - The Statewide Office will be updating the model plan to provide more direction to the agencies.