

Purchase Cards Internal Control Fact Sheet

Control Activities for Purchase Cards:

- Develop agency specific policies and procedures.
- Ensure proper roles and responsibilities and separation of duties related to the cards.
- Establish spending limits.
- Provide training on the use of the card before the card is issued and used.
- Perform routine reconciliation and monitoring of transactions.
- Maintain proper documentation and authorization for purchases.
- Ensure that all cards are ordered by and delivered to the agency program administrator for distribution to card users.
- Safeguard p-cards and account numbers against loss, theft, and unauthorized use.

Purchase Card Roles and Responsibilities:

OFM recommends that agencies utilize individually assigned cards rather than department cards in order to ensure better accountability and fraud protection. For information on department card roles, refer to SAAM Chapter 45. Here are the minimum roles and responsibilities within an agency for individually assigned cards:

Agency program administrator – Responsible for management and oversight of the p-card program within the agency. Some key responsibilities include:

- Developing and enforcing agency policies and procedures for using the p-card.
- Establishing and maintaining the p-card reporting structure/hierarchy to ensure the proper separation of duties.
- Ensuring that a card user agreement form has been signed by both the card user and appropriate approving official before issuing the card.
- Providing training in the management, security, and use of the card.

Approving official – Assigned to monitor, review, and approve card transactions to ensure compliance with p-card policies and procedures. Some key responsibilities include:

- Establishing authorization controls and transaction limits for each card.
- Establishing procedures for maintaining security of the p-card.
- Ensuring timely reconciliation of card statements.
- Monitoring card activity for unusual or unacceptable transactions.

Cardholder – The person issued an individually assigned purchase card to make purchases. Some key responsibilities include:

- Signing a card user agreement form and receiving training before being issued and using a purchase card.
- Obtaining and submitting valid supporting documentation for each purchase made.
- Safeguarding card security at all times.

Fiscal Staff – Responsible for reconciling p-card transactions to the accounting system and approved card statements. Other key responsibilities include:

- Ensuring timely payment of card program invoices.
- Ensuring receipt of goods or services prior to payment of the p-card bill, as applicable.