

1097.0 UTILIZATION OF CREDIT CARDS FOR SMALL ORDER PURCHASES

This policy is to provide a uniform departmental policy for establishing and governing the utilization of credit cards for small order State business purchases. In accordance with §19-4-1007 of the Arkansas Code Annotated, all credit cards must have prior approval from the Chief Fiscal Officer of the State before utilization. The policy shall be applicable to all Department of Human Services (DHS) divisions, offices, and boards of DHS.

1097.1.0 Division/Office Responsibilities

- 1097.1.1 Each DHS division/office is responsible for development of internal procedures for operating and monitoring control of credit cards issued to employees.
- 1097.1.2 Each division/office is responsible for establishing internal operating procedures to ensure purchases made with credit cards are in accordance with Part VI of the *DHS Administrative Procedures Manual*.
- 1097.1.3 Each division/office is responsible for maintaining on file a signed Memorandum of Agreement or State of Arkansas Purchasing Card Agreement Form for each employee issued a credit card.
- 1097.1.4 Each division/office is financially responsible for ensuring that reconciled statements and supporting documentation are submitted in a timely manner to ensure accounts are paid in accordance with terms of the credit card agreement.
- 1097.1.5 Each division/office is responsible for ensuring that notification of cancellation is made to the credit card company immediately upon an employee's termination of employment with the division/office.

1097.2.0 Employee Responsibilities

- 1097.2.1 Each employee must notify appropriate divisional personnel of his/her possession of a DHS credit card. If notification is not provided, the employee will be responsible for payment for merchandise or services purchased with an unapproved credit card.
- 1097.2.2 All DHS credit cards held by an employee must be surrendered immediately upon request or upon transfer, termination, promotion, demotion or reassignment.
- 1097.2.3 Abuse or misuse of credit cards is addressed under DHS Policy 1084, Employee Discipline: Conduct/Performance.

1097.3.0 Credit Card Utilization

- 1097.3.1 Credit cards shall be utilized only for approved purchases necessary for the performance of official DHS business.
- 1097.3.2 Credit cards shall not be obtained or utilized by any person without prior approval from the appropriate division/office.
- 1097.3.3 Purchases with a credit card shall not be initiated prior to the issuance of an itemized purchase order or other approved documents. Established policy will be utilized for emergency purchases.
- 1097.3.4 All credit card purchases must have itemized receipts returned to designated division/office staff in order to reconcile statements received from companies.
- 1097.3.5 Refunds/credits from return of items purchased with a credit card must be credited to the appropriate account(s). Cash refunds are not allowed. All refunds/credits must have itemized receipts returned to designated division/office staff in order to reconcile statements received from companies. Rebates must be in the name of DHS and credited to the appropriate account(s).
- 1097.3.6 Credit cards must not be utilized for purchasing professional/consultant services.
- 1097.3.7 All payments for purchases made by credit cards will be processed in accordance with guidelines established in the *DHS Administrative Procedures Manual* and the *State Accounting Procedures Manual*.

1097.4.0 Initiating Section/Department Contact

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