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Chapter 12 – PCard

12.1 Program Summary

The State of Delaware, through Division of Accounting (DOA), has contracted with JPMorgan Chase (JPMC) Bank to provide State Organizations with a VISA card program for purchasing or travel. This program is called the PCard Program; one card operating with purchasing or travel options. JPMC's online card administration software (PaymentNet) allows the management of the PCard program at the State level via the following link:

<https://www.paymentnet.jpmorgan.com>.

Purchasing cards are used by employees within the Organization to purchase goods/services that are needed for business. These cards should also be used for registering travelers for conferences. Hotel, airfare and other travel-related expenses are not permitted on the purchasing card.

Travel cards are solely for the purpose of State business travel. When using the Travel Card while on State business travel, cardholders must follow the State's Travel Policy (see **Chapter 11 – Travel Policy**), in addition to the policies contained herein.

Please note that due to the nature of both purchasing and travel practices, there is some overlap in allowable vendors across programs. Cardholders should follow the policy appropriate for the type of purchase. See the Merchant Category Code (MCC) list for each program in order to determine which card is most suitable for the employee. The list is located on the Information tab of the First State Financials (FSF) Extranet at <http://extranet.fsf.state.de.us>.

The State of Delaware is liable for the use of the PCard. The card is backed by the full faith and credit of the State, not the credit of the employee. Only State employees are eligible for participation in the PCard program. State employees are defined as individuals who receive a paycheck through the Payroll Human Resource Statewide Technology (PHRST) system.

State employees, with appropriate approvals from their Organization, can obtain a card without a personal credit history check. However, in accordance with OFAC (Office of Foreign Assets Control, U.S. Department of Treasury), personal information (e.g., date of birth, country of citizenship, home address) is required. Employees must enroll in the program online via the Account Request Manager (ARM) application. Employees are only authorized to carry one card, allowing for better control. The cardholder may have access to PaymentNet at the discretion of the Organization to review card information.

12.1.1 Services of the Travel Card

1. For travel, the card provides:
 - a. Primary coverage auto rental insurance – Call the VISA Benefit Administrator at 1-800-VISA-911 for assistance with this coverage or to file a claim. If outside the United States, call collect at 0-410-581-9994.
 - b. Travel and Emergency Assistance Services – These services are accessed by calling the VISA Benefit Administrator at 1-800-VISA-911 any hour of the day or night. If outside the United States, call collect at 0-410-581-9994. These services provide assistance and referral only. The cardholder is responsible for the cost of any actual medical, legal, transportation, or other services or goods provided.
 - c. Travel Accident Insurance – The **cardholder** is automatically insured against accidental loss of life, limb, sight, speech, or hearing while riding as a passenger in, entering, or exiting any licensed common carrier.
 - d. Baggage insurance – The traveler is automatically insured when travel reservations are booked on the traveler’s card. Coverage ONLY applies to the cardholder.

12.2 Internal Controls

Organizations’ written PCard Internal Control Policies and Procedures must address the following topics:

- Detailing segregation of duties
- Tracking cardholders
- Monitoring of program usage
- Reconciliation of accounts

A PCard Roles and Internal Control Policy Form ([PO012](#)) and a Sample PCard Internal Control Policies Form ([PO014](#)) for small and large Organizations are available for guidance in establishing PCard Internal Controls.

12.2.1 Detailing Segregation of Duties

Segregation of duties standards for PCard usage and administration must be strictly enforced when assigning job roles. A list of roles and responsibilities, by employee,

should be listed within the PCard Roles and Internal Control Policy Form ([PO012](#)) and further detailed within each Organization's PCard internal control policy. As detailed in the form, the roles must specify the duties of each employee as they relate to each Organization's PCard processes.

The Payment Net Roles' duties and responsibilities are defined in the First State Financials, PaymentNet Roles, Duties and Responsibilities located on the Division of Accounting Extranet website
http://extranet.fsf.state.de.us/training_jobrole_handbook.shtml.

The FSF Roles' duties and responsibilities are defined in the First State Financials, Job Role Handbook located on the Division of Accounting Extranet website
http://extranet.fsf.state.de.us/training_jobrole_handbook.shtml.

See **Chapter 2 – Internal Controls, Section 2.1.1 Sample Internal Control Plan Elements** for additional guidance on segregation of duties.

12.2.2 Tracking Cardholders

As part of the PCard Internal Control Policies and Procedures, Organizations must indicate their procedures for:

- Implementing and enrolling new cardholders
- Handling changes to cardholders
- Assigning types of cards (purchasing only or travel only)
- Deleting cardholders
- Implementing cardholder security requirements

Additionally, procedures must be stated describing any actions to be taken for misuse of the card. Changes in Organizational processing or approval structure will require an update to the Organization's policy.

12.2.3 Monitoring Program Usage

Organizations must indicate how program participants and usage are monitored. In addition to monitoring the usage of specific accounts, Organizations should describe the management of card usage throughout their various reporting groups.

Although there may be various control practices in use, the following cardholder internal control options must be considered. Organizations may implement more stringent policies when developing the PCard Internal Control Policies and Procedures.

- Holding all cards centrally and distributing the card to the appropriate individual(s) with each approval to purchase a good or service or travel.
- Closing the account and destroying cards that may only be used one time for special travel needs.
- Having authorized staff carry cards independently with suitable controls (e.g., lower spending and transaction limits and verification of possession of the card, to be performed no less than quarterly).
- Monitoring the spending limit of each card. The spending limit should be based on the spending history of the card. DOA will provide the spending limit and available credit to the Organization on an annual basis. The Organization must determine if the spending limit needs to be modified.
- Organization Head review of card transactions on a periodic basis.

12.2.4 Reconciliation of Accounts

Organizations must indicate procedures for account reconciliation, including the frequency of reconciling transactions (recommended weekly, but not less than monthly).

12.3 PCard Administration

With PaymentNet, DOA, under the guidance of the Organization, can control the funds available on a card and the types of places where individual employees can purchase goods or services or travel. These controls enable the Organization to reduce risk, while providing employees the spending power they require.

Transaction information is posted daily to First State Financials (FSF), the State's financial management and accounting system, enabling Organizations to reconcile transactions as the receipts and invoices are presented, rather than waiting until the end of the billing cycle.

12.3.1 General Usage

1. General – Regardless of the reason or type of purchase, all PCard receipts must be kept for reconciliation purposes.
2. Travel – See **Chapter 11 – Travel Policy**

- a. The Travel Card should be used for all common carriers (airlines, rail, or bus), car rental, lodging, occupancy tax, and any authorized miscellaneous expenses.
- b. The Travel Card should be used for meals (food, beverage, tax, and tips) while traveling on official State business. If the Travel Card is used to pay for meals for several employees while traveling, Organizations must require an itemized receipt identifying each meal with each employee to ensure the State standards are followed.
- c. The Travel Card may be used for gasoline purchases, if the traveler is in a location where the Fleet Services fuel access card cannot be used. This applies to State fleet vehicles. If an employee is approved to use their personal vehicle for travel, the Travel Card cannot be used to purchase fuel. The employee must submit a Personal Expense Reimbursement Form ([AP003](#)) for the mileage.

See **Chapter 11 – Travel Policy, Section 11.3.2 Privately-Owned Vehicles** for additional information regarding the use of personal vehicles.

3. Purchasing – All PCard transactions must comply with accounting procedures and State laws governing purchases.
 - a. Purchases of \$5,000 or less
 - The PCard can be used as Direct Payment for all fund types.
 - b. Purchases over \$5,000
 - All current purchasing and accounting procedures remain in effect for purchases over \$5,000. Funds must be encumbered, and purchase orders are required, for all general fund purchases.

12.3.2 Who Should Have a PCard?

PCards may only be issued to State employees. The PHRST 6-digit Employee ID is required and is verified during enrollment. Organizations can request cards for those individuals who have a reasonable need (i.e., individuals who travel on official State business or individuals who make official State purchases). Only one PCard may be issued per employee, regardless of the number of departments for which the employee will be making purchases.

The number of individuals who make official purchases should be kept to a minimum as dictated by Organization requirements and in accordance with each Organization's internal control policy.

12.3.3 Steps for Enrollment

1. Organizations may enroll in the PCard Program by submitting the Organization's PCard Internal Control Policies and Procedures. The Sample PCard Internal Control Policies Form ([PO014](#)) may be used as a guide for the Organization's PCard Internal Control Policies and Procedures.
2. Organizations must designate the Organization PaymentNet Coordinator and Back-up Coordinator, and the FSF PCard Coordinator/Reconciler, PCard Approver, and AP Business Manager in the PCard Roles and Internal Control Policy Form ([PO012](#)). The PCard Roles and Internal Control Policy Form must be signed by the Organization Head.
3. DOA reviews the PCard Internal Control Policies and Procedures and, when approved, a copy is returned to the Organization.
 - DOA also performs an annual review of the Organization's PCard Internal Control Policies and Procedures as documented in the PCard Roles and Internal Control Policy Form ([PO012](#)).
 - Internal Controls are required to be updated as changes occur and submitted to DOA annually.
 - Changes made between annual reporting periods must adhere to Internal Control guidelines and ensure segregation of duties.
4. Organizations must designate the authorized signatories and designees on the PCard Authorized Signature Card Form ([PO013](#)) when someone other than the Organization Head may approve new cards or change requests.
5. Employees must enroll online via the ARM application.

12.3.4 Card Issuance

The following process is applicable for the issuance of all PCards, including new cards and replacement cards.

1. JPMC Bank delivers the PCard to DOA within seven to ten business days of issuance.

2. DOA notifies the Organization when the card is available for pick-up by the Organization's designated personnel or when the card is being mailed to the PCard Coordinator/Reconciler via State mail.
3. The Cardholder or PCard Coordinator/Reconciler emails the JPMC Credit Card Confirmation to DOA at p.card@state.de.us.

NOTE: DOA will deactivate the card if the JPMC Credit Card Confirmation has not been received within ten days of notification. A PCard Change Request Form ([PO003](#)) must be submitted to reactivate the card.

12.3.5 PCard Program Management

1. The ARM application is administered by DOA to promote accountability and to ensure adherence to policies and procedures.
2. Cardholders are assigned to profiles (purchasing or travel) in PaymentNet. The Organization's PaymentNet Coordinator has a profile that provides access to view the activity of all cardholders within the organizational structure.
3. **Organizations must review the following annually (at a minimum).** The review is documented and signed by the PaymentNet Coordinator/Back-up Coordinator and Organization Head/Designee and maintained at the Organization for audit purposes.
 - Usage – frequency, spending patterns, etc.
 - Credit Limits – the Cardholder Status Report, in PaymentNet, may be used to identify cardholder account limits.

12.3.6 Reports

1. An electronic Commercial Card activity report reflecting all cardholder transactions is furnished on a monthly basis to the cardholder's Organization Head/Designee by DOA. The report is also available for download at any time by the Organization. Cardholders are also expected to review their personal Commercial Card Statement.
2. The PaymentNet Internet site (<https://www.paymentnet.jpmorgan.com>) offers secure reporting to Organizational users. The use of the site is highly recommended and is a valuable Internal Controls tool. The site provides a list of available reports along with a description of the information provided in the reports. Users may view and download a variety of merchant, cardholder, transaction and administration reports to monitor and analyze program

participation. The following are examples of how the standard reports can assist the user:

- a. Transaction Reports:
 - **Transaction Detail Hierarchy** reporting summarizes the number of transactions and total dollar amount for each account and hierarchy level. It is used by the PCard Coordinator/Reconciler to reconcile accounts at the end of an accounting period, or more frequently if deemed necessary.
- b. Cardholder/Account Information Reports:
 - **Cardholder Profile** enables PCard Coordinators/Reconcilers to manage cardholder information. The report includes Cardholder Name, Address, Phone, E-mail, Account Status, Account Status Reason, Compromised Indicator, Hierarchy Levels, Account Limits, Account Open and Close Dates, Last Transaction, and Expiration Dates.
 - **Cardholder Status Report** enables PCard Coordinators/Reconcilers to identify cardholder account limits and account status (e.g., Closed, Not Activated, Active, or Suspended).
- c. Administration Reports:
 - **Unusual Activity Analysis** enables PCard Administrators to monitor unusual transaction activity and to determine if the transactions are business-related.

Ad hoc reporting is available for all users with virtually no lead time. These online demand reports may be saved within the user's own separate login and may be run at any time. PaymentNet Coordinators and Back-up Coordinators may limit access to reports based on cardholders' security privileges.

12.4 Authorized PCard Use

12.4.1 Cardholder Responsibilities

1. The PCard is embossed with the cardholder's name and must **only** be used by the cardholder or authorized proxy (for travel only). The cardholder is responsible for all charges to the card. Organizations should refer to **Chapter 11 – Travel Policy** for more information regarding combining travel expenses on a Travel Card.

- a. All travel arrangements MUST be booked on the traveler's card. Insurance coverage on VISA for traveling ONLY applies to the cardholder. See Section [12.1.1 Services of the Travel Card](#) for more information regarding the VISA benefits.

In certain situations, a traveler utilizing the State's Travel card may rely on an administrative liaison to transact and manage travel arrangements. Typically, such relationships are limited to Organization Heads and other officials who are assigned administrative support. If a traveler needs another individual to make travel arrangements on their behalf utilizing the State's credit card, the delegation of responsibility must be memorialized through the proxy process in JPMC's PaymentNet system via DOA. Once assigned the role of proxy, delegates have the ability to perform certain functions on behalf of the traveling cardholder such as activate a card, authorize card transactions, and report a card lost or stolen. All proxies must meet the same policy requirements established for becoming a cardholder and must adhere to the same policies and procedures as a cardholder.

Only one proxy may be assigned to a cardholder. To assign a proxy, the PCard Proxy Request Form ([PO004](#)) must be completed and submitted to DOA.

Note: The cardholder is ultimately responsible for the card and must review transactions and card statements on a regular basis to ensure compliance with all applicable rules and requirements.

- b. All items purchased "in person, over the counter" must be immediately available at the time of credit card use. The PCard shall not be charged for merchandise that must be back ordered for later delivery.
2. The PCard may be used only by authorized State employees and must **not** be used for personal or unauthorized purposes, in accordance with **Delaware Code Title 29 §5112** including, but not limited to:
 - a. Providing personal identification.
 - b. Purchasing alcoholic beverages or any substance, material, or service in violation of policy, law, or regulation.
 - c. Purchasing entertainment or any expense not authorized for State business.

A cardholder who makes unauthorized purchases is liable for the total dollar amount of such purchases. The purchase amount must be reimbursed by the employee within 30 days of the transaction. All such transactions must be

reported to DOA immediately. Upon resolution, a copy of the check, the Organization's deposit slip and the supporting detail on what is being reimbursed must also be submitted to DOA.

3. The PCard may not be used to charge expenses for family members or others who may be accompanying the employee on official State business, even if the intention is to reimburse the State. In certain circumstances Organizations may approve a traveling companion if deemed medically necessary.

NOTE: Failure to comply with these policies may result in disciplinary action (including dismissal by the Organization) and possible criminal action (by the DE Department of Justice or other federal or local regulatory and enforcement entities).

12.4.2 Organization Responsibilities

Organizations may place more stringent restrictions on card use.

1. If an Organization needs to make changes to a PCard a PCard Change Request Form ([PO003](#)) must be submitted and will be processed within 24-48 hours.
2. Organizations must monitor the dollar value, the number of transactions, and all other card activity on a regular basis.
3. Billing statement transactions must be reconciled within 30 days of the end of the transaction billing cycle, so as not to invoke the escalation process.
4. Prior to issuing a PCard to an employee, the Organization must ensure the employee has been trained on and understands the Budget and Accounting Manual and the Organization's PCard Internal Control Policies and Procedures.
5. Organizations must have sufficient controls in place and routinely communicate with cardholders to ensure charges are not incurred that will exceed encumbered or available appropriations or other available funds for payment.
6. Organizations must notify DOA for loss or theft of a card or any indication of fraud, misuse, or negligence. See Section [12.4.1 Cardholder Responsibilities](#) for more information regarding the disciplinary action that may be taken.
7. Travel Authorization Forms, receipts, logs, itineraries and invoices must be maintained for audit purposes.

12.5 Record Keeping and Reconciliation

12.5.1 Record Keeping

1. Whenever a Purchasing Card purchase is made, either over the counter, by telephone or Internet, an **itemized receipt** must be obtained as proof of purchase. The receipt must be legible, itemized (reflecting the good or service purchased), and contain the vendor name, date of purchase, and price of each item. A receipt description which only states “Miscellaneous” or “Merchandise” is not acceptable. If a receipt only includes a merchant’s stock or item number, additional procedures may be necessary to validate the appropriateness of the expenditure and reconcile the transaction. Receipt documentation may be paper or electronic and must be provided to the Organization’s Reconciler within seven days of the transaction.
2. The method of payment for travel expenses is the Delaware Travel Card. The Travel Card must not be used for personal or unauthorized purposes. The Travel Card is to be used for authorized expenses for State personnel only and may not be used to charge expenses for family members or others not on official State business. Employees may not use the Travel Card to charge expenses for others, even with the intent to reimburse the State. The Travel Card may not be used for cash withdrawal. Non-State employees (e.g., Board members, commissioners, etc.) should follow Statewide and Agency specific policies when making payment for a reimbursable travel expenditure.

Employees must obtain an itemized receipt for all Travel Card transactions. The receipt must be legible, itemized (reflecting the good or service purchased), and contain the vendor name, date of purchase, and price of each item. A receipt description, which only states “Miscellaneous” or “Merchandise”, or only includes a vendor’s stock or item number, is not acceptable. Receipt documentation may be paper or electronic. In conformity with the Uniform Electronic Transaction Act (UETA) (**6 Del. C. Chapter 12A**), which permits copies of receipts, electronic documentation includes pictures of receipts taken with a smartphone or other electronic device.

Under extenuating circumstances, the employee may be unable to obtain an itemized receipt. In this case, the employee must complete an Affidavit for Missing and Non-Itemized Receipts ([AP005](#)). The employee must provide a detailed explanation as to why an itemized receipt is not available. The affidavit must be approved and signed by the employee’s immediate Supervisor. The Office of Management and Budget (OMB) and DOA approval is only required for transactions exceeding \$20.00. Agencies shall determine if the Division Director or Section Head approval is required for all affidavits or only those exceeding \$20.00. When required, the affidavit must be submitted to OMB within 30 days of the transaction to be considered for reimbursement. This allows sufficient time for the employee

to exhaust all reasonable measures for obtaining an itemized receipt. See the Affidavit for Missing and Non-Itemized Receipts Flowchart ([Exhibit A](#)) for assistance in determining when an affidavit needs to be completed and when it must be approved by OMB and DOA.

All travel documentation must be submitted to the Organization's Reconciler **within seven (7) business days** after the completion of travel, including all itemized receipts, the Travel Authorization Form ([AP006](#)) and a reconciliation of the estimated versus actual expenses. This action is required in order to document the expenses of the trip. The Travel Reconciliation Form ([AP009](#)) is provided as a tool for Organizations; however, Organizations may choose to use another form of reconciliation. For more information on submitting and reconciling receipts related to travel, reference **Chapter 11 – Travel Policy**.

3. At the end of each billing cycle, a monthly Commercial Card Statement of Account is sent to each cardholder by JPMC Bank. The cardholder must check each transaction listed against the itemized receipts to verify the accuracy of the monthly statement. Itemized receipts should be attached to the monthly bill and kept until an internal audit is completed.
4. There are times when a cardholder is reimbursed for travel from an external/member organization. In these cases, the cardholder is responsible for notifying the coordinator that the reimbursement will be requested. When the reimbursement is received, it should be credited against the expenditures incurred for that specific trip. A copy of the check and deposit slip should be filed with the traveler's paperwork in case of an audit. For more information on processing refunds/reimbursements to the State, reference **Chapter 9 – Receipt of Funds, Section 9.3.5 Refunds to the State**.

NOTE: The Purchase and Travel card must not be used for personal or unauthorized purposes. The purchase amount must be reimbursed by the employee, within 30 days of the transaction if a purchase is for personal or unauthorized purposes or if an itemized receipt is not provided and the Affidavit for Missing and Non-Itemized Receipts is not submitted as required. A copy of the check, deposit slip, and supporting detail on what is being reimbursed should be filed with the monthly statement, and the traveler's paperwork if the purchase pertains to travel, in case of an audit.

12.5.2 Billing and Reconciliation

1. JPMC Bank submits a monthly billing invoice the day after the close of the billing cycle (the Statement Date) into FSF for payment of all charges made against the PCards. DOA pays the JPMC Bank statement within five calendar days from the Statement Date.
2. Organizations process PCard transactions daily in FSF to reimburse DOA for funds used to pay JPMC Bank.
3. Each transaction made on a PCard requires the assignment of a chartfield string or the designation to a specific purchase order and category code.
4. Organizations are required to reconcile and approve the daily transactions in FSF against the cardholder receipts, within 30 days of each billing date. This includes complete approval of the voucher created.
5. Purchase order numbers for purchases exceeding \$5,000 (individually or in aggregate) are required for transactional details within FSF. When using the purchase order details, all the chartfield requirements and category codes default into the specified fields. The purchase order must be established before the transactions are incurred with the merchant. For additional information regarding when a purchase order is required, reference **Chapter 7, Section 7.2 Obligating Funds**.
6. DOA monitors the billing process to ensure timely compliance, using an escalation process. However, if Organizations do not comply with timely payment and reconciliation of PCard transactions in FSF, then card usage and program participation may be revoked. The responsibility is as follows:

PCard Transaction Reconciliation Escalation Timeline

Days After Billing Cycle End Date	Notification Issued To The Organization By:			
	DOA PCard Team	DOA PCard Admin	DOA Management	Secretary of Finance
31	X			
45		X		
55-75			X	
>75				X

12.6 Card Security

12.6.1 Cardholder Responsibilities

The cardholder must:

1. Safeguard the PCard and account number. The full 16-digit account number must not be mailed, emailed (unless via a DTI approved encryption method), or faxed to merchants.
2. Ensure the card is **only** used for legitimate State of Delaware business purposes.
3. Maintain the card in a secure location at all times.
4. Adhere to the purchase limits and restrictions of the card.
5. Obtain all itemized sales slips, register receipts, purchasing card slips, and/or packing slips and provide the same to the Organization PCard Coordinator/Reconciler **within seven (7) business days of the transaction or completion of travel.**
6. Not accept cash, check, or a merchant credit for returned items in lieu of a credit transaction to the PCard account.
7. Be held responsible for all charges to the card.

NOTE: Unauthorized use of the card may result in dismissal from the card program, disciplinary action, and/or termination from employment.

12.6.2 Organization Responsibilities

Organizations must:

1. Develop and follow PCard Internal Control Policies and Procedures.
2. Appoint and monitor activities of all PCard personnel.
3. Keep cards secure. Any cards not used on a frequent basis should be categorized with a “Null” Profile in PaymentNet, until needed. This will prevent any purchases from being made with the card during this period. Cards that have had no activity for 18 months will be purged from PaymentNet.

4. Monitor activity, reconcile, approve, and allocate transactions for the Organization's individual cardholders.
5. Reconcile card activity on a regular basis and in a timely manner.
6. Review spending limits. DOA provides the spending limits and available credit to the Organization on an annual basis. The Organization must inform DOA if the spending limits should remain the same or if any need to be modified.

12.6.3 Lost or Stolen Cards

In the event of a lost or stolen card, the cardholder must:

1. Immediately notify JPMC Bank at 1-800-270-7760 and advise the representative that the call pertains to a State of Delaware Visa PCard. Bank representatives are available 24 hours a day, 7 days a week. JPMC Bank will immediately deactivate the card and issue a replacement card, which is delivered to DOA within seven to ten business days.
2. Notify the Organization PaymentNet Coordinator, Back-up Coordinator, or other approving official immediately during business hours or as soon as practical during non-business hours. The Coordinator must notify DOA.
3. Destroy a previously reported lost card that is subsequently found.

12.7 Disputed Transactions

A disputed transaction is any transaction that was double charged, charged an inaccurate amount, or charged without corresponding goods or services by the cardholder. A transaction may also be in dispute if items purchased with the PCard are found to be faulty or in error.

12.7.1 Cardholder Responsibilities

The cardholder is responsible for attempting to resolve the issue with the merchant as soon as possible. If the merchant has not resolved the issue by the date the cardholder receives the monthly billing statement, the transaction will be in dispute. Cardholders should contact their PaymentNet Coordinator for assistance in resolving disputed transactions with the merchant; however, the cardholder must call the merchant to resolve the dispute as the merchant will only discuss the transaction with the cardholder.

1. Cardholders can dispute any charges in question. Merchants should be the first point of contact for resolution.
2. If a particular transaction is disputed, the employee has 30 days from the end of the billing cycle to notify JPMC. JPMC will assist the State in attempting to obtain reimbursement from the merchant.
3. Organizations should be made aware of all disputed transactions by the time the billing statement is available.

Note: If the dispute is not resolved with the merchant within 30 days from the end of the billing cycle, a PCard Change Request Form ([PO003](#)) must be submitted to DOA via email to p.card@state.de.us.

12.7.2 Organization Responsibilities

1. If a disputed transaction is not resolved with the merchant, the Reconciler must identify the disputed item and “flag” the transaction as disputed in FSF.
2. Disputed transactions must be submitted to DOA for processing.
3. The Organization’s Reconcilers ensure transactions are reconciled and disputes and credits are handled in a timely manner.
4. Debits/Credits/Chargebacks must be reconciled with the same coding. Do not use a Purchase Order when coding disputed transactions debits and credits.
5. A PCard Change Request Form ([PO003](#)) is required for all billing errors and disputed items.
6. Payment must be made in full to JPMC (via DOA), including payment for disputed transactions. Once the dispute is resolved, a credit may be issued and reflected on the JPMC monthly billing statement.

12.7.3 Division of Accounting Responsibilities

1. DOA uses the PCard Change Request submitted by the Organization to populate the necessary dispute information into PaymentNet. The dispute notification is automatically emailed to the JPMC dispute resolution department.

2. DOA verifies the dispute and accompanying credit are received.
3. DOA assists Organizations to resolve the disputed item in a timely manner, as needed.
4. DOA must pay JPMC in full, including payment for disputed transactions. Once the dispute is resolved, a credit may be issued and reflected on the JPMC monthly billing statement.

12.8 Fraud

A fraudulent purchase is any use of the PCard which is determined to be an intentional attempt to defraud the State for personal gain or for the personal gain of others. If a transaction appears on the JPMC monthly billing statement that is not recognized, it is considered fraud.

12.8.1 Cardholder Responsibilities

1. Cardholders must immediately call JPMC at 1-800-270-7760 to report the card lost or stolen. JPMC will issue a replacement card.
2. Cardholders must notify the Organization PaymentNet Coordinator, Back-up Coordinator, or other approving official of the fraudulent transaction.

12.8.2 Organization Responsibilities

1. The Organization's Reconciler must "flag" the transaction as fraud in FSF.
2. Organizations must notify DOA that the card was reported lost or stolen due to fraud. A list of the fraudulent transactions must be submitted to DOA via email to p.card@state.de.us.
3. All types of fraud must be reported:
 - a. External Fraud, also known as third-party fraud:
 - Unauthorized transactions
 - Purchases made with a lost, stolen or counterfeit card or stolen account information

- b. Internal Fraud, also known as employee misuse:
 - Transactions outside the parameters of the Organization policy
 - Purchases made for personal gain
4. The Organization's Reconciler must reconcile and approve the fraudulent transaction after receiving notification from DOA that the fraud has been resolved.

12.8.3 Division of Accounting Responsibilities

1. DOA verifies the fraud and validates the fraud was reported to JPMC.
2. DOA monitors the progress of the fraudulent transaction until resolved to ensure the accompanying credit is received.
3. DOA notifies the Organization to reconcile and approve the transaction once the fraud is resolved.

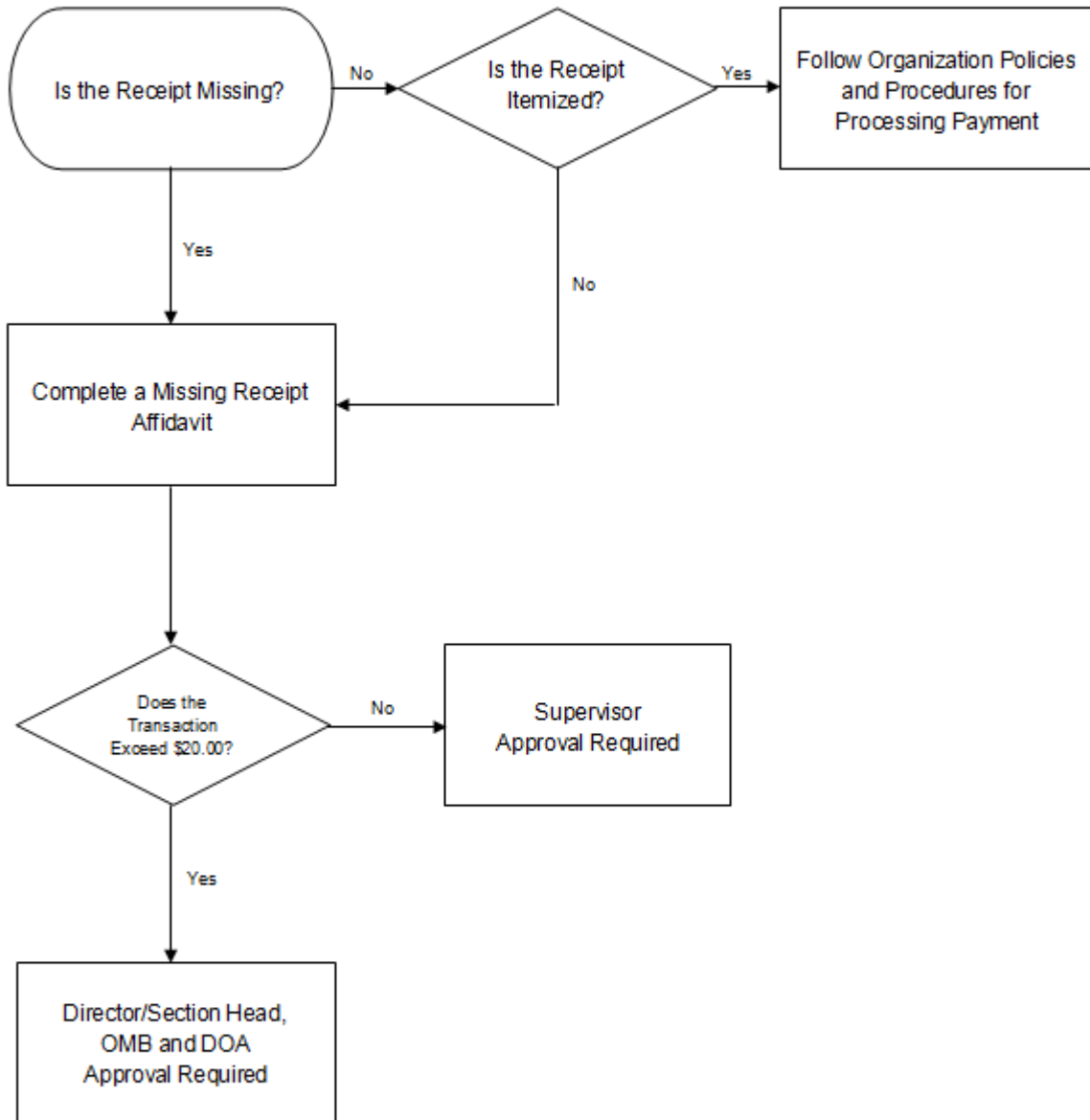
12.9 Cardholder Separation/Transfer

1. Employees separating from State employment (including long-term leave of absence) must surrender the PCard and all receipts to the Organization's appropriate PCard personnel or other approving official, prior to separation from State employment. Upon notification of employee separation, the Organization PCard personnel must notify DOA, by email, to immediately close the card account.
2. Employees transferring to another State Organization must have their account closed, their log-on deactivated, and the card collected and destroyed. The gaining Organization will request a new card, if needed. This process allows cards to be uniquely identifiable to the employee and the Organization, and allows the billing statement and FSF to properly reflect the purchasing activities of each Organization, proxies, and default distribution.
3. Employees transferring between Divisions within the same Organization must have their account closed, their log-on deactivated, and the card collected and destroyed. The gaining Division will request a new card, if needed. This process allows the gaining Division to determine if the employee needs a card and, if so, what the parameters (e.g., type of card, credit limit, etc.) should be.
4. Employees transferring within the same Division must have the credit card profile reviewed by the Organization Head/Designee to determine if any changes are necessary.

NOTE: The Organization must notify DOA via email or a PCard Change Request Form ([PO003](#)) when an employee separates from State employment or transfers to another Organization or Division. When an employee transfers within the same Division, any changes to the credit card profile must be submitted to DOA via the PCard Change Request Form ([PO003](#)).

Exhibit A

**AFFIDAVIT FOR MISSING AND NON-ITEMIZED RECEIPTS
FLOWCHART
(For Travel Card transactions)**



NOTE: All transactions are subject to workflow approvals in FSF. Follow the Organization's document processing and record retention guidelines for ALL Missing Receipt Affidavits.