

Purchase Card procedures

These procedures set out the requirements in respect of the following:

- Permitted use of purchase cards;
- Issuing purchase cards;
- Returning purchase cards;
- Cardholder responsibilities;
- Month end procedures – Cardholders and alternative buyers; and
- Month end procedures – Authorisers.

These procedures apply to all States Bodies as defined in the Public Finances (Jersey) Law 2019.

It should be noted that the authorisation of cards etc. needs to be in line with the relevant Department's Scheme of Delegation.

1. Permitted use of purchase cards

- 1.1. Purchase cards must be used where it will reduce the administration process, improve the efficiency of obtaining goods, and develop and improve preferred supplier relationships, without compromising financial/accounting integrity or procurement contracts. They must not be used to circumvent the requirements of the Public Finances Manual.
- 1.2. Purchase cards are designed to reduce the costs associated with processing low value, high volume purchase transactions. They must not be used if the items are available as catalogue items in Supply Jersey or in a situation where either party requires a contract to be signed or for recurring expenditure (e.g. utility bill).
- 1.3. Preferred suppliers (i.e. corporate contracts) will be signed up to the NatWest 'Streamline' system. This has the advantage of quoting a reference number (i.e. the States' internal business units and object codes) against each transaction. This reference number will then be identified on the monthly statement. However, other suppliers may be used where a corporate contract does not exist for the item required.

2. Issuing purchase cards

- 2.1. Officers wishing to obtain a States purchase card must contact the person in their department responsible for authorising purchase cards and their Head of Finance Business Partnering. Their request must include the transaction and credit limits and allowable categories of purchase. Commercial Services must be notified of the intended use of the card. Commercial Services will then review the requirement for a card against corporate contracts in place for the provision of equivalent services. Where equivalent services can reasonably be procured without a purchase card, Commercial Services may refuse the request.
- 2.2. The purchase card shall remain the property of the issuing Department.
- 2.3. If the cardholder changes his/her name or job they must contact the Treasury and Exchequer's Shared Services Centre who will make the necessary arrangements with the bank. Once a new card is received, the cardholder must cut up the old one and return it to the Treasury and Exchequer's Shared Services Centre. It must not be cut up until the new card is received.

- 2.4. All Cardholders (including those receiving replacement cards) must sign a Purchase Card Receipt Form acknowledging receipt of their card, which must be retained by the Treasury and Exchequer's Shared Services Centre.

3. Returning purchase cards

- 3.1. Where a cardholder terminates their employment the purchase card must be returned to the person responsible for authorising the card before the employee leaves their role. The card must be cut in half and returned to the Treasury and Exchequer's Shared Services Centre. Where a card is not returned the relevant authoriser must inform the Treasury and Exchequer's Shared Services Centre and a stop placed on the card.

4. Cardholder responsibilities

- 4.1. The purchase card and associated PIN must be treated with the same respect given to the cardholder's own debit/credit cards.
- 4.2. Cardholders must not give their card number, PIN or security code on the card to another member of staff to use or write it down anywhere where another officer could see it.
- 4.3. If a card is lost or stolen the card holder must notify NatWest Purchasing Card Services immediately. (The number is on the back of the purchase card or can be obtained from the Treasury and Exchequer's Shared Services Centre). The cardholder must also notify the Treasury and Exchequer's Shared Services Centre, the person responsible for authorising the card and his/her departmental finance team.
- 4.4. Fraudulent misuse of the card will result in the cardholder facing disciplinary action, e.g. cardholders must not under any circumstances use their purchase card to fund personal expenditure.
- 4.5. Purchase cards must only be used when the transaction falls below both the cardholder's transaction limit and their monthly credit limit. Cardholders must not bypass the transaction limit by making multiple payments for the same purchase.
- 4.6. Cardholders must check goods received against accompanying paperwork (which will bear the cardholder's name and reference number) and note receipt on the transaction log. This must be done in J D Edwards (JDE) – via the Purchase Card Module - where the cardholder has access.
- 4.7. If goods have been received which are damaged or incorrect cardholders must either:-
 - contact the supplier and arrange for the goods to be replaced; or
 - contact the supplier and arrange for the goods to be returned. In this case the supplier must be requested to provide a credit transaction voucher which will be included in the next statement.
- 4.8. If an incorrect amount has been billed, the cardholder must contact the supplier directly and agree a course of action. The supplier is responsible for any credit to be made to the account.
- 4.9. If an invoice is received for goods not yet received, the cardholder must contact the supplier directly to ensure the goods have been dispatched. It is a VISA regulation that the transaction should not be processed until the goods are dispatched.
- 4.10. When ordering or purchasing goods cardholders must give their card details and reference, i.e. business unit and object code in the case of a preferred (or approved) supplier.
- 4.11. If a transaction has been declined the cardholder must contact NatWest Purchasing Card Services by telephoning the number on the back of the purchase card. Potential reasons for cards being declined include exceeding transaction/monthly limits, and using a

supplier which falls outside of the categories set up on the card. Where a transaction has been declined as a result of exceeding transaction/monthly limits, the cardholder must contact the person responsible for authorising the card.

- 4.12. If a cardholder wishes to amend his/her transaction or monthly limit, they must contact the person who authorises their card who will, if appropriate, contact the Treasury and Exchequer's Shared Services Centre in writing (e.g. via email) and authorise the amendment.

5. Monthly procedures – Cardholders and alternative buyers

- 5.1. Each month, cardholders will either receive an email with a link to log on to JDE (and the Purchase Card Module) or have an 'alternative buyer' who will receive the email on his/her behalf. Where an alternative buyer receives an email, he/she must print a hard copy of the list of transactions and give it to the individual cardholder to check and reconcile.
- 5.2. The cardholder/authoriser must check and reconcile all transactions on his/her transaction log with supporting documentation (e.g. receipts) and correct business unit and object account codes where necessary. The transactions will be authorised electronically by the cardholder or the alternative buyer where the cardholder does not have access to JDE.
- 5.3. Where an alternative buyer is acting for the cardholder, the cardholder must check and reconcile the printed log, ensuring that the business unit and object account codes are correct, and return the signed log (or statement), together with all receipts to the alternative buyer.
- 5.4. The alternative buyer will access JDE and make any changes as required by the cardholder and authorise the transactions on behalf of the cardholder. Once this process is complete the log must be signed by the alternative buyer and together with the receipts must be passed to the authoriser (i.e. the manager/budget holder).
- 5.5. For a detailed JDE user guide go to the JDE Help Page.
- 5.6. Cardholders must check and clear transactions in JDE by the 6th of the following month. Where an alternative buyer is used the cardholder must check and clear transactions on the printed log and the alternative buyer must then clear these on JDE by the end of the month.
- 5.7. Any JDE systems issues which prevent the clearance of the transactions must be raised by the cardholder or the alternative buyer through the JDE helpdesk and the departmental finance team must be advised.
- 5.8. Where the cardholder does not recognise or disputes a transaction and is unable to resolve the issue with the supplier concerned then he/she must notify the authoriser, his/her departmental finance team and the Treasury and Exchequer's Shared Services Centre immediately. The Treasury and Exchequer's Shared Services Centre will liaise with NatWest to resolve the matter (i.e. obtain a refund from the supplier concerned).
- 5.9. The cardholder or alternative buyer must forward a hardcopy of the log (or statement), together with all receipts to his/her designated authoriser (e.g. manager/budget holder). A full detailed listing of purchases is required, and cardholders must ensure that adequate time is allowed for authorisers to check and authorise transactions.

6. Monthly procedures – Authorisers

- 6.1. Each month, the authoriser will receive an email with a link to log on to JDE (and the Purchase Card Module).
- 6.2. Approvers must check all transactions and receipts and approve the transactions electronically in JDE. The authoriser must then sign the printed log (or statement) for

the cardholder and send this together with supporting documentation to the departmental finance team by the 6th of the following month. The documentation will be checked and retained for audit purposes.

- 6.3. It is the authoriser's responsibility to ensure that there is supporting documentation for each transaction recorded on the statement before forwarding it to the departmental finance team. The authoriser must also check that the purchase appears reasonable and in accordance with the cardholder's work responsibilities.