

INTERAGENCY AGREEMENT FOR STATE PURCHASING CARD PROGRAM

This agreement between the Office of Administration (OA) and the _____
(Agency/Division Name)

is for the purpose of implementing a State Purchasing Card Program for a more efficient, cost-effective method of purchasing and paying for goods and centralized travel desk services within established limits. The agency accepts full responsibility to review State Purchasing Card statements ensuring each purchase included on the statement is for official state business only, is payable from the appropriations of the agency, and is less than \$1,000 unless an exception has been granted by the agency and is supported by card usage. Cardholder monthly statements shall be submitted for payment as individual transactions and shall not exceed \$3,000 unless an exception is approved by the agency and is supported by card usage. All cardholder single transaction limits and/or monthly cycle limits of more than \$25,000 must receive approval from OA Division of Accounting. The agency understands that it is solely responsible for any fees or interest assessed against a card for failure to make a timely payment.

The agency understands the conditions contained in this agreement and policies and procedures established by OA are intended to set a minimum level of standards and controls relative to the State Purchasing Card Program. It is the responsibility and duty of the agency to determine whether such conditions and policies should be complemented with more stringent guidelines for use of the cards by agency employees.

This agreement is effective as of the last date signed on the signature page at the end of this agreement. This agreement may be terminated by either party upon thirty days written notice. OA may terminate this agreement by written notice if OA determines in its sole discretion that the agency has failed to comply with any term or condition of this agreement.

_____ agrees to the following conditions:
(Agency/Division Name)

1. The agency shall designate an Agency Purchasing Card Coordinator to be responsible for the overall operation of the State Purchasing Card Program at the agency. The Agency Purchasing Card Coordinator shall have the authority to enforce compliance with all accounting and purchasing statutes, regulations, and policies to ensure the valid use of all purchasing cards within the agency, including the ability to cancel any card issued.
2. The Agency Purchasing Card Coordinator must designate a backup coordinator responsible for card issuance and related issues including, but not limited to, lost or stolen cards, and changes in the limitations of expenditures placed on individual cards. The Agency shall obtain a signed State Purchasing Card Cardholder Agreement from each agency employee (cardholder) prior to issuance of a card and shall maintain a file of the agreements.
3. The Agency Purchasing Card Coordinator may designate a Purchasing Card Reviewer(s) to be responsible for reviewing transaction details transmitted to the agency by the card company. The Purchasing Card Reviewer shall ensure the transaction details submitted by the card company are reconciled at the cardholder detail level and authenticate the validity of each transaction. The Purchasing Card Reviewer shall ensure all disbursement data entering the accounting system is accurate, authorized, properly coded, adequately documented, and that good(s) purchased through the use of the card were received by the agency. The Purchasing Card Reviewer shall have complete access to all documentation to support the data entering the accounting system. The Purchasing Card Reviewer shall immediately follow-up on any unusual card activity with the cardholder, the Agency Purchasing Card Coordinator, and/or other appropriate agency officials.

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4. The agency shall prepare a State Purchasing Card Program Procedure Manual and continue to update the manual as statutes, regulations, or policies are amended. Agency shall ensure all cardholders receive training prior to using the card and that each cardholder receives a copy of the manual and updates. The manual and updates shall receive prior approval from OA.
5. Central accounting records shall be maintained in accordance with the Cooperative Agreement on Accounting, Auditing, and Internal Control Activities between OA and the department.
6. The agency shall maintain the necessary internal controls and implement recommendations resulting from audits by OA and/or other independent audits of the State Purchasing Card Program, including the State Auditor.

OA agrees to the following conditions:

1. Ongoing information and assistance with the State Purchasing Card Program shall be provided to the agency at the request of the Agency Purchasing Card Coordinator.
2. Assistance with developing policies and procedures for the individual use for the cards shall be provided to the agency at the request of the Agency Purchasing Card Coordinator.
3. Reasonable advance notice shall be given to the Agency Purchasing Card Coordinator before conducting an audit of the agency's use of the cards under the State Purchasing Card Program. A report of the findings of an audit shall be provided to the agency.

Office of Administration:

_____ (Agency/Division Name)

Signature: _____ Date: _____

Signature: _____ Date: _____

Print Name: _____

Print Name: _____

Commissioner of Administration

Agency/Division Director

Signature: _____ Date: _____

Signature: _____ Date: _____

Print Name: _____

Print Name: _____

Director, Division of Accounting

Financial Officer

Signature: _____ Date: _____

Signature: _____ Date: _____

Print Name: _____

Print Name: _____

Director, Division of Purchasing and
Materials Management

Agency Purchasing Card Coordinator