**Procurement Card Monitoring Program**

**Exception Process:**

Exceptions to OSU P-card Policy should be a rare occurrence but may be granted on a limited basis to departments. The exceptions must be requested via email to the Payables Supervisor or to the Program Administrator. All exceptions must be approved by the Payables Manager or Business Affairs Director or other designee of the Vice President for Finance and Administration via email and copied to the P-card Administrator. Authorizing documentation for exceptions will be maintained by the Business Affairs P-card Administrator.

**Merchant Code Review Process:**

Merchant codes are reviewed once a year to determine if adjustments need to be made to blocking. Also bank reports (Account List w/ MCC detail) are run to check on MCC codes that have been lifted on a card by card basis to see if these adjustments are still needed.

**Usage Frequency:**

Activity levels of cards are reviewed once a year to see if any cards are not being used or are used infrequently (US Bank AXOL “Program Management – Account List- Account Information”) – if a card has been unused for 6 months or more the department is contacted to see if this card is still required, and the same for a card only used intermittently. If card is for a program which only operates in certain months it may be a possibility to suspend the card and reactivate during active months for the program.

**Spending Levels:**

Spending levels are to be reviewed once a year to see if there are credit limits which may be lowered to mitigate the possibility of fraud should the card become compromised, concentrating mostly on cards with higher spending levels than the starting base of $5,000 and on those cards with infrequent use. This is done by running the US Bank AXOL report “Program Management – Account Spend Analysis”).The credit limits may be adjusted accordingly following notification and discussion with the Department Budget Authority and Card Custodian.

**Restricted Account Code Used:**

Program Administrator in Payables receives a system generated exception report (FAPINVT /FAR0590) identifying restricted account codes used by the department. Department Account Manager and Business Manager are also notified via system generated report regarding use of a restricted account code and prompted to contact the Program Administrator in Payables. Program Administrator makes sure that corrections are being made by JV if wrong code was used referencing the z doc # in doc ref and having them go into FOATEXT and add text to the Z doc which includes the J # created. Or if the transaction was coded correctly, that text is added to the Z# Invoice in Banner to describe transaction, the purpose of the transaction and reason it was done on the card. Violations are recorded on the P-card Information spread sheet. Violations are tracked on a per FY basis.

**Undistributed Transactions:**

FAR0450 Undistributed Transactions report is run by Program Administrator monthly to find any transactions past 3 months old which have not been allocated. Program Admin contacts Account Manager and Business Manager of the card by email containing the transactions in question, notifying them that these transactions must be distributed as soon as possible.

**Posted Transaction Report:**

FAR0460 report is run twice a week, to check for transactions posted without a commodity description to reflect the purchase made, and to check for compliance with OSU Pcard Policy. If the transaction has posted without commodity description Program Admin notifies the Account Manager and Business Manager by email that they must go into Banner FOATEXT and add text describing the actual purchase made. If the transaction is not in compliance with policy Program Admin contacts the department to do a correcting JV for wrong Index or Account Code, or add text for an exception. If there are questions regarding the allowability of the transaction, copies of the transaction backup may be requested from the card custodian in the department for review. Violations are recorded on the P-card information spreadsheet.

**Unused Cards**

Once a year the Program Administrator will review usage frequency of each card and check for inactive or infrequently used cards. If the card is not used frequently (in the last 6 months) the department will be contacted regarding the necessity of the card and possible closure if not needed.

**Spot Reviews**

Spot Reviews may be conducted by following the spot review process outlined in the ‘P-card Spot Review Monitoring and Compliance Program’.

**Site Reviews**

Site Reviews will be conducted monthly except during the months of June, July and August due to year end. The department selected randomly for review will be contacted and a meeting scheduled between the Program Administrator, the Payables Manager and the Department Budget Authority, Card Custodian and the Account and Business Managers of the card selected. Site Review Checklist will be used to verify department process and card security, documentation for a prior months’ activity will be requested to be sent to the business office within two days time. Documentation is reviewed for completeness and discrepancies and findings are documented, the checklist is signed off on by the Program Administrator and sent to the Payables Manager for review, it is then forwarded to the Budget Authority of the department reviewed for signature. Checklist is then returned to Payables and filed.