



DEPARTMENT OF ENVIRONMENTAL QUALITY
POLICY AND PROCEDURES

SUBJECT: PROCUREMENT CARD PROGRAM

Issue Date: November 1, 2001

Revised: June 22, 2009

Number: 01-012

Page 1 of 3

ISSUE:

State procurement cards provide the lowest cost means of purchasing commodities. The Department of Environmental Quality's (DEQ) bureau/divisions/offices should make incidental purchases of less than \$2,500 per transaction with a state procurement card. The DEQ bureau/divisions/offices should also make all out-of-state airline reservations via a state travel/"ghost" procurement card specifically set up for use with the state travel contractor.

POLICY:

The DEQ supports the use of the state procurement card (MasterCard) for employees whose work involves purchasing commodities within approved, delegated, single-purchase limits in accordance with Department of Management and Budget (DMB) and DEQ policies and procedures. The DEQ Procurement Card Program shall adhere to the DMB Purchasing Policy and Procurement Card Procedures 0510.17, 18, 19, and 20.

The procurement card is **NOT** to be used to purchase items on state contract unless explicitly authorized by the DMB, or in a manner that circumvents DMB and DEQ purchasing policy and procedures.

The procurement card may **NOT** be used for the following:

- Any information technology purchases, unless explicitly authorized in writing by the Department of Information Technology (DIT);
- Cash advances;
- Gift cards purchased for use by state employees;
- Contract commodities or services (except as noted above);
- Deposit for a hotel room for travel purposes;
- Deposit for rental car while traveling;
- Gasoline/fuel;
- Training courses;
- Health and medical related services*;
- Personal use;
- Services;

DEQ POLICY AND PROCEDURES

SUBJECT PROCUREMENT CARD PROGRAM

Issue Date: November 1, 2001

Revised: June 22, 2009

Number: 01-012

Page 2 of 3

- Travel-related expenses (airline accounts or travel expense reimbursement, including meals) – airline account charges must be charged to appropriate divisional travel/"ghost" procurement card.
- Food, beverages, or snacks;
- Magazines, newspapers, professional journals, memberships and electronic subscriptions**;
- Furniture.

*All Health and Medical related services are 1099 reportable.

**All subscriptions and subscription services are prohibited from procurement card purchase by Governor's Executive Directive 2007-16.

Promotional items obtained through the use of State of Michigan credit cards or obtained while serving in a state employee capacity are the property of the state and must not be used for personal gain.

Cardholders must comply with DMB and DEQ policies and procedures guidance manuals:

- Card Security – Procurement card security is the responsibility of the individual cardholder. Misuse of a state procurement card will result in disciplinary action up to and including dismissal. The procurement card(s) and account number(s) must be kept secure. Lost or stolen cards must be reported immediately to Bank of America at 1-888-449-2273.
- Do not allow anyone else to use your procurement card. The card is **not** transferable to another employee.
- Proper Transaction Processing – Do not exceed the single-transaction dollar limit or other limits established for your account. Never split charges in order to avoid exceeding the transaction limits for your account. Note to the vendor that your transaction is to be tax-exempt. If necessary provide Form EQ1450e, Certificate of Tax-Exempt Sale, as supporting documentation of tax-exempt status.
- Proper Transaction Documentation – Secure and retain all sales slips, register receipts, and procurement card charge slips. Enter and maintain an entry for each transaction on the EQ1590 Procurement Card Log.
- Account Reconciliation - Verify that purchase documentation is available for all transactions on the Cardholder Transaction Detail Report.

DEQ POLICY AND PROCEDURES

SUBJECT PROCUREMENT CARD PROGRAM
Issue Date: November 1, 2001
Revised: June 22, 2009

Number: 01-012
Page 3 of 3

The attached DEQ procurement card procedures provide mandatory guidelines for DEQ procurement cardholders and cardholder supervisors.

REFERENCES:

DMB Administrative Guide Policy and Procedure 0510.17, Procurement Card Usage

DMB Administrative Guide Policy and Procedure 0510.18, Obtaining A Procurement Card

DMB Administrative Guide Policy and Procedure 0510.19, Procurement Card Policy on Minimum Usage

DMB Administrative Guide Policy and Procedure 0510.20, Procurement Card Purchase and Review Reporting

DEQ Procurement Card Cardholder Manual

DEQ Procurement Cardholder Supervisor Manual

ATTACHMENTS:

DEQ Purchasing Procedure No. P-01: New Procurement Cards and Account Changes

DEQ Purchasing Procedure No. P-02: Procurement Card Purchases

DEQ Purchasing Procedure No. P-03: Procurement Card Billing

DEQ Purchasing Procedure No. P-04: Travel/"Ghost" Account Processing

Approved: _____



Date: _____

6-24-09