This Self-Assessment Questionnaire (SAQ) is a tool to be used by an agency to:

* Develop fiscal and administrative controls.
* Evaluate the adequacy of existing procedures, both as written and actually performed.
* Ensure that written procedures and actual practices are the same.

Each agency should review its procedures **annually** to ensure compliance with the minimal internal control standards as set forth in this SAQ. By completing the SAQ, an agency can identify potential internal weaknesses.

The SAQ is designed so that a “No” response indicates an area of concern, which may require corrective action in written procedures and/or actual practices, such as:

1. Developing new or revised procedures to correct the deficiency found; or
2. Implementing a compensating control.

The “**Description of Issue…”** column on the SAQ is to be used to describe any issue and notate the date that the issue is to be resolved.

Each year’s SAQ should be reviewed and approved by management and the original maintained in the agency’s files for audit purposes.

This document is also to be used to help complete the agency’s Biennial Report on Internal Controls, which is due by July 1 of each even-numbered year.

Thank you for your cooperation.

**Definition of Roles**

The **Procurement Card Manager** (PCM) is located at the Purchasing Division, Department of Administration.

The **Procurement** **Point of Contact** (PPOC) is the department contact for Purchasing Division and coordinates with the state’s **Procurement Card Manager** (PCM) for procurement card issues. PPOC may also serve as the agency PCA.

The **Procurement Card Administrator** (PCA) provides program oversight at the agency level and ensures that the Cardholder and agency comply with the state’s procurement card contract and coordinates program activities with the department’s PPOC. PCA may also serve as the agency PPOC.

The **Supervisor** or **PCA** is the agency employee who approves the legitimacy of purchases and exceptions made by the Cardholder. The Supervisor may also serve as the agency PCA.

The **Cardholder** is the agency employee who is issued a procurement card (p-card) and is authorized to use the card on behalf of the agency.

The **Approver** in WORKS is the equivalent of a Pend 3 in Advantage. The Approver/Pend3 may serve as the agency’s PCA.

The **Accountant** in WORKS is the equivalent of a Pend 4 in Advantage.

**WORKS** is the Bank of America application used for managing p-card accounts, including adding and deleting cardholders, adjusting credit limits, and approving transactions.

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| **M.** | Procurement Cards - General | **Yes** | **No** | **N/A** | **Description of Issue and Date to be Resolved** |
|  | Has the agency head (or representative) determined:   1. The general criteria and purchase limits for cardholders, including both for monthly cumulative (overall) credit limits and for single transaction limits (single transactions should not to exceed $4,999.99)? 2. The maximum dollar threshold when pre-approval of the purchase is required? |  |  |  |  |
|  | Has each department appointed a PPOC to assist the with the p-card program? |  |  |  |  |
|  | Does the department notify Purchasing Division when their PPOC changes? |  |  |  |  |
|  | Has each agency appointed at least one PCA and one backup PCA? |  |  |  |  |
|  | Is each transaction assigned a GL Code either within the WORKS system by the agency or in some other manner agreed upon by agency and agency Fiscal Review? |  |  |  |  |
|  | Is procurement card activity reviewed via website/reports and any related Cardholder reconciliations at least once a month for appropriateness of purchases, accuracy, and to ensure that no sales taxes were paid on purchases? |  |  |  |  |
|  | Are billing statements paid in their entirety, with disputes/inappropriate charges resolved the subsequent months? |  |  |  |  |
|  | Are users credit limits reduced to $1 within three (3) business days upon transfer to a different position, agency or termination from state (if deactivated prior to all transactions posted to billing statement, transactions will stay in limbo)? |  |  |  |  |
|  | Upon misuse of card, transfer of cardholder, or separation from state service are:   1. Cardholder accounts suspended, revoked, or closed? 2. Cards retrieved and rendered unusable? |  |  |  |  |
|  | Is the Controller’s Office VISTA report compared to the p-card statement and approved by emailing the completed Electronic Transfer of Transactions document to the Controller’s Office? |  |  |  |  |
|  | **Procurement Card Administrator (PCA)/Supervisor Responsibilities** |  |  |  |  |
|  | Is the PCA precluded from being issued a p-card? |  |  |  |  |
|  | Upon the agency’s decision to utilize procurement cards, does the PCA (or PPOC) submit the completed Procurement Card Internal Controls, the Procurement Card Approval Form and Procurement Cardholder Forms to the Division of Internal Audits? |  |  |  |  |
|  | Is the PCA responsible for assigning purchase limits for each cardholder for the monthly overall credit limits? |  |  |  |  |
|  | Is the PCA responsible for ensuring that the Cardholder is aware of the single transaction limit of $4,999.99 and that the Cardholder does not exceed that amount? |  |  |  |  |
|  | Does the PCA/Supervisor regularly monitor the Cardholder transactions in WORKS for declined or unusual transactions? |  |  |  |  |
|  | Does the PCA/Supervisor review activity to ensure purchases used for items not requiring a contract? |  |  |  |  |
|  | Does the PCA/Supervisor review WORKS daily for appropriate purchases if the Cardholder cannot obtain independent verification (“receiver”) of merchandise? |  |  |  |  |
|  | Is there a process in place for PCA to notify Cardholders of budgetary constraints prior to purchases? |  |  |  |  |
|  | Has a process been established for immediate reporting of suspected or actual unauthorized use of a card, including a process for self-reporting by Cardholders? |  |  |  |  |
|  | Is the PCA is responsible for ensuring that the total number of cards in use by the agency is verified and reconciled, at least semi-annually, and retained for review purposes? |  |  |  |  |
|  | Does the PCA/Supervisor ensure that:   1. The vendor and Cardholder work to resolve any billing discrepancies? 2. Periodic reviews of agency/cardholder files occur to verify compliance with agency policy? |  |  |  |  |
|  | Is the PCA/Supervisor responsible for ensuring each purchase is supported by invoices, receipts, and/or packing slips and verifying these documents to the transactions in the WORKS system? |  |  |  |  |
|  | Does the PCA/Supervisor sign off on billing statement indicating approval of purchases? |  |  |  |  |
|  | Are all transactions reviewed to verify:   1. No “splitting of transactions” occurred? 2. No transactions occurred with disallowed merchants or vendors? 3. Transactions were within approved limits, or appropriate documentation of exceeding limits exists? 4. Frequently purchased items and/or unusual items are verified to be necessary? 5. Credits are appropriate and have the required vendor supporting backup documentation for justification? |  |  |  |  |
| **M.** | **New Cardholder - PCA Responsibilities** | **Yes** | **No** | **N/A** | **Description of Issue and Date to be Resolved** |
|  | When obtaining cards, does the PCA:   1. Complete and sign the Cardholder Agreement Form? 2. Ensure the Cardholder reviews and signs the Cardholder Agreement Form? 3. Ensure that the Cardholder’s Supervisor signs the Cardholder Agreement Form? 4. Maintain copies of the signed forms for both activated and inactivated agreements? 5. Create or notify PPOC to create Cardholder User account in WORKS, notifying financial institution of a new Cardholder? |  |  |  |  |
|  | After receiving each procurement card, does the PCA:   1. Verify the information on the card, including the cardholder’s name, agency, and tax exemption number? 2. Deliver the card to the appropriate Cardholder and verify that the card is subsequently signed on the back? 3. Instruct the Cardholder on the proper use of procurement cards, the consequences of unauthorized use, and provide updated training as needed? 4. Assign, update, and monitor the limits for each of the individual Cardholders, as well as the specific merchant and vendor categories which are disallowed for each Cardholder and for the agency in general? (This information, and any other applicable information, should be documented for each Cardholder) |  |  |  |  |
|  | Is the PCA/Supervisor responsible for ensuring that purchasing limits assigned for each Cardholder comply with the restrictions of SAM 1552.0, including the limitation of $4,999.99 for each purchase unless otherwise specified, or unless State Purchasing has granted specific authorization for certain items at higher limits? |  |  |  |  |
|  | **Cardholder Responsibilities** |  |  |  |  |
|  | Is each cardholder required to:   1. Abide by all the conditions noted on the Cardholder Agreement Form? 2. Use the card forqualifying agency purchases only? 3. Ensure that the card is not used by another individual? |  |  |  |  |
|  | When purchasing, do the cardholders:   1. Comply with all agency purchasing and expenditure policies and procedures, as well as SAM 1500 and other relevant state regulations and statutes? 2. Ensure that no sales tax is charged on agency purchases? 3. Ensure that purchases do not exceed assigned limits or budgeted amounts for that category and that individual limits are not circumvented by splitting purchases? 4. Upon receipt of each purchase, verify that the correct number of items was received and that all merchandise is in good condition, and, if applicable, sign the accompanying packing slip attesting to the quantity and condition of the merchandise? 5. Ensure that an independent receiver sign receipt/packing slips as verification of the item(s)?    1. If the cardholder cannot obtain independent verification of goods, the cardholder provides invoices or other backup documentation (as applicable) as soon after purchase for each transaction to their Supervisor or PCA for initial review? |  |  |  |  |
|  | Do Cardholders:   1. Report any disputes or discrepancies to the PCA or PPOC?    1. Work with vendor, PCA/PPOC, and financial institution to resolve issues. 2. Immediately report any unauthorized use of the card to the PCA? 3. Report any lost or stolen cards to the issuing financial institution within 24 hours and to their PCA or Supervisor at the first opportunity during business hours? 4. Return their card to the PCA upon termination of employment and/or transfer to a different position and/or agency? |  |  |  |  |
|  | **Fiscal Review Responsibilities** | **Yes** | **No** | **N/A** | **Description of Issue and Date to be Resolved** |
|  | Is Fiscal Review not permitted to have procurement cards? |  |  |  |  |
|  | Does Fiscal Review update and monitor budget accounts to ensure purchases remain within available funding? |  |  |  |  |
|  | At least monthly, does Fiscal Review ensure that :   1. Card purchases received appropriate PCA/Supervisor approvals? 2. Transactions have appropriate supporting documentation? 3. Purchases are not assessed sales tax? |  |  |  |  |
|  | Does Fiscal Review will reconcile transactions and receipts with the billing statement and inform the PCA of any discrepancies? |  |  |  |  |
|  | Does Fiscal Review ensure that the Approver (Pend 3) and Accountant (Pend 4) approvals are completed for each transaction within the WORKS application not later than the 9th day of the month following the end of the billing cycle? |  |  |  |  |
|  | Does Fiscal Review facilitate billing statement payment according to agency and Controller’s Office procedures |  |  |  |  |