



OFFICE OF PUBLIC ACCOUNTABILITY

Suite 401 DNA Building, 238 Archbishop Flores Street, Hagatna, Guam 96910
Tel (671) 475-0390 · Fax (671) 472-7951 · Hotline: 47AUDIT (472-8348)
www.opaguam.org

OFFICE OF PUBLIC ACCOUNTABILITY CREDIT CARD USAGE POLICY

1. GENERAL STATEMENT

The Office of Public Accountability has determined there is a need for a corporate credit card to be used as a tool to promote greater purchasing efficiency. As technology has evolved, OPA has found it necessary for its employees to make purchases that require the use of a credit card. In order to purchase items necessary for the continuity of operations at the OPA, employees have been tasked to use their personal credit cards and later seek reimbursement from the office. In one instance, an employee separated from the OPA, but their credit card was set for auto-renewal and payment for software subscription services that was needed for the office. The former employee was charged and sought reimbursement from the office. OPA has determined it is more than appropriate if there is a corporate credit card available to make such purchases and not rely on employees' personal use of their credit card.

2. AUTHORIZED USES OF CREDIT CARD

The credit card is authorized to be used for the following purposes:

- a. The purchase of items/services which are not available for purchase from local vendors or where OPA has documented that significant savings (>20% landed costs) can be obtained by use of the credit card.
- b. Airfare purchases
- c. Registration fees for conferences and seminars where OPA employees will be in attendance.
- d. The purchase of technical manuals and/or publications and subscriptions, i.e. antivirus and security software, accounting software, etc..

3. UNAUTHORIZED USES OF CREDIT CARD

In no event shall the credit card be used for any of the following purposes:

- a. Food, meals, or beverages
- b. On-island purchases
- c. Personal items
- d. Items whose value is greater than \$10,000
- e. Cardholders may NOT take cash advances on credit cards

4. CUSTODIAN OF CREDIT CARD

The custodian of the credit card will be the Public Auditor and the most senior classified OPA employee. The Administrative Services Officer will secure the credit cards in OPA's safe. When needed to make purchases, the custodian(s) will request the ASO for access to the credit cards and have it returned to the safe after purchases have been confirmed.

5. APPLICATION OF PROCUREMENT PROCEDURES

All purchases of goods and services shall be performed on a competitive basis in accordance with applicable procurement rules and regulations.

6. PROCEDURE FOR CREDIT CARD PURCHASE

Purchase of goods and services less than \$500: Purchaser will be required to provide evidence the produce is not available for purchase on island.

Purchase of goods and services greater than \$500: Purchaser is required to present evidence the product is not available for purchase on island or evidence of a bid abstract demonstrating a landed cost savings in excess of 20% from items purchased on island.

Payment for airfare or registration fees for a conference: An approved Travel Authorization Form will be required for purchase to be completed.

Upon presentation of the required materials to the Administrative Services Officer, the ASO will review the request before presenting it to the Public Auditor and/or most senior classified OPA employee for document completeness. The Public Auditor or the most senior classified OPA employee will review the materials, execute the purchase, and provide a copy of the purchase confirmation to the purchaser and the ASO to maintain a copy in OPA files. Approval of any purchase must be signed off by the requestor, the most senior classified OPA employee, and the Public Auditor.

All purchases must be approved through the disbursement approval process, as appropriate.

7. CREDIT CARD PAYMENT

Upon receipt of a statement from the credit card company, the ASO will reconcile each line item on the statement with the credit card purchase files. Payments will go through the disbursement approval process and will only be made for items for which proper documentation exists.

8. REPORTING

Each quarter, the ASO will provide a report to management detailing the nature and amounts of all credit card payments.

9. CREDIT CARD AGREEMENT

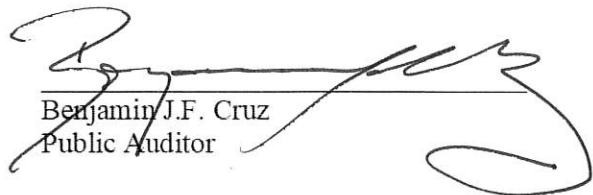
OPA is authorized to enter into a credit card agreement with a limit of \$10,000 only after the determination of the low bidder based on the amount of the annual fee and the interest rate attached to the credit card agreement. OPA is authorized to extend the program as appropriate, however, the program must be put out to bid no less frequently than every five years.

Prepared by:



Vincent J.G. Duenas
Accountability Auditor III

Approved by:



Benjamin J.F. Cruz
Public Auditor