Revised: January, 1995

STATE OF OHIO

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DEPARTMENT OF NATURAL RESOURCES

Lease A

LEASE

Structure Number 4-151-22-1 Area CASTALIA STATE FISH HATCHERY

Structure Address 7018 HOMEGARDNER RD. CASTALIA OH 44824

Description of Premises: MODULAR HOME 200' x 200' LOT

Tenant(s) Name: DAVID INSLEY

Rent $ 315.00 (As determined by and in accordance with the Lessor's Housing Inventory and Rental Schedule)

Rent Charge From April 1st 2000.

The State of Ohio, Department of Natural Resources, hereinafter called the "Lessor", in consideration of the terms herein stated, hereby leases to DAVID INSLEY, hereinafter called the "Tenant", the premises above described for the term of one (1) month, beginning on the 1st day of APRIL, 2000, and from month to month thereafter, unless otherwise terminated as herein provided.

Said Tenant hereby covenants and agrees with said Lessor as follows:

(1) That Tenant shall pay the monthly rental above stated, in advance of the monthly anniversary date of this lease. In case of termination of this lease, any unused rental paid by Tenant, less any charges against the Tenant provided for herein, shall be refunded to Tenant, as soon as practicable.

(2) That Tenant authorizes the Lessor to deduct the rentals due under this lease from his or her payroll while and during the time Tenant is employed by the Lessor unless otherwise specified in paragraph number 16 (Exceptions) of this lease.

(3) That in the event the above payroll deduction provision is not applicable to Tenant, Tenant shall pay all rent due which rental shall be received by the applicable Division at its Central Columbus Office on or before the 1st day of each month.

(4) That Tenant and his or her immediate family shall use said premises as a residence and for no other purpose whatsoever. The Tenant shall not permit any other person to use said premises for residential purposes or any other purpose.

(5) That Lessor may terminate this lease at Lessor's will by giving 30 days prior written notice of such termination to Tenant.

(6) That Tenant may terminate this lease at Tenant's will by giving 30 days prior written notice of such termination to Lessor.

(7) That no representation as to the condition of the premises has been made by the Lessor and that Lessor is under no obligation to alter, repair or improve the premises, except that no less frequently than every four years Lessor shall make available to the current tenant sufficient paint to repaint the exterior and interior of the premises if the Tenant wishes to do so.

(8) That Tenant shall pay for any damages to the premises caused by him, members of his household, or other persons invited or allowed upon the premises by Tenant, reasonable wear and tear excepted. Tenant shall keep the premises in a clean and sanitary condition, satisfactory to Lessor and shall notify Lessor promptly of any seriously needed repairs.

(9) That Tenant shall not alter or add to the premises without the written consent of the Lessor. Tenant shall comply with all Federal, State and Local laws in the use and condition of the premises, at Tenant's expense. Tenant agrees that the premises shall not be used for any unlawful or immoral purpose and shall be open for inspection by the Lessor at any time.

(10) That Tenant shall protect Lessor from all claims for expenses, loss, damage, injury or other casualty to any person or property caused by or arising out of Tenant's use and occupancy of said premises.

(11) That Tenant shall not sublet any portion of the premises and shall not assign the Lease without the written consent of the Lessor.

(12) That Tenant shall be liable for and pay all charges for utility services to the premises during the term of this lease unless otherwise prescribed in paragraph number 16 (Exceptions) of this lease.

(13) That any property or trade fixtures remaining on the premises shall be deemed abandoned by Tenant if not permanently removed from the premises within seven (7) days following date of termination; and Tenant hereby appoints Lessor as his agent to dispose of any property so abandoned by Tenant.

(14) It is understood by and between the parties undersigned below that the occupation of the residence is for the convenience of the State of Ohio and a necessary part of the occupant's employment with the State of Ohio.

(15) If the leased structure becomes subject to real property taxation as a result of lessee's occupancy thereof, Tenant agrees to pay any such assessments due and payable during the term of his occupancy and to hold Lessor harmless thereof.

(16) (Exceptions) NONE

(17) Obligations of the State are subject to the provisions of Section 126.07 of the Ohio Revised Code.

IN WITNESS WHEREOF, the said Lessor and Tenant have hereunto set their hands this 5th day of May, 2000.

STATE OF OHIO

SAMUEL W. SPECK, Director
Ohio Department of Natural Resources

WITNESSES:

Barbara Bazzard

Deanna C. Granger

STATE OF OHIO,

Franklin County, ss:-

Before me, a notary public in and for the State of Ohio, personally appeared the above named Samuel W. Speck, Director, Department of Natural Resources, on behalf of LESSOR, State of Ohio, who acknowledged that he did sign the foregoing instrument and that the same was his free act and deed.

In testimony whereof, I have hereunto set my hand and official seal at Columbus, Ohio, this 5th day of May, 2000.

NOTARIAL SEAL STATE OF OHIO

DEANNA C. GRANGER
Notary Public - State of Ohio
My Commission Expires 6-3-2001

Deanna C. Granger
Notary Public Signature

Name (Print)

My Commission Expires

Michael J Budzik
Michael J Budzik, Chief
Division of Wildlife

Date: 4-19-00

Wayne R. Warren
Wayne R. Warren, Chief
Division of Real Estate and Land Management

Date: 4-19-00

TENANT(S):

Date: 4/3/2000

WITNESSES:

Raymond W. Pitz

Gary L. Isbell

Date: 4/14/00

APPROVED:

BETTY D. MONTGOMERY
ATTORNEY GENERAL OF OHIO

BY: J. P. Burley
Assistant Attorney General

Date: 4-20-00

Bob Taft
BOB TAFT, Governor
STATE OF OHIO

Date: 5/16/00

This document prepared by: Joan C. Weiser, Assistant Attorney General

EXEMPT 01/95

State of Ohio

Payment Card Policies and Procedures Manual

Office of Budget and Management
Revised 10-8-10

TABLE OF CONTENTS

INTRODUCTION 2

OBM POLICY AND GUIDELINES
Card Issuance and Cancellation 3
Payment Card Limitations and Restrictions 3
Transaction Limits and Spending Limits 4
Payment Card Security- Physical Card and Policies 4
Reconciliation of Invoices 5
The Payment Process 5/6
Cardholder Log 6
Training and Information 7
Referencing an Encumbrance 7
State Term Contracts 7
Agent Fees / Acceptance Fees / Service Fees 7
Employee Awards and the Credit Card 8
MBE Set Aside / EDGE Flags 8
Purchases of Goods Normally Requiring Pre-approval 8
Refunds 8
Using the Payment Card for Services 9
Paying for Incidental Service Fees 10
Internet Purchases 10

GENERAL CARD PROCEDURES
General Cardholder Instructions 11
Card is Stolen 11
Activating Card 12
Purchasing Regulations 12
What Suppliers can I Use? 13
Changing positions or no longer working for the State 13
Problems With Merchandise or a specific Merchant 13
Disputed Items 14
Reports 14
Declined at Point-of-Sale 14
Reasons for the Decline at Point of Sale 15
Billing Address / Shipping Address 15
Tax-Free Status of the card 16
What should I do if I am charged tax? 16
Processing Transactions in OAKS 17

APPENDIX
Cardholder Agreement 19
Payment Card Log 20
State of Ohio: Policy Summary 21

INTRODUCTION

The State of Ohio's Payment Card Program is designed to empower state employees to make purchases for goods and services below a specified amount. The program allows employees to acquire goods and certain services as they are needed for operations without undue delay. It is designed primarily for the purchase of tangible materials, equipment, supplies and approved services that cost less than $2,500. Use of the card is meant to simplify and streamline the acquisition process and lower overall transaction costs. In cases where the cardholder is reasonably sure that a competitive price is being obtained, neither phone nor written bids are required. Cardholders are expected to use good and reasonable judgment in these situations. In addition to the payment card, the program has an electronic invoicing and payment process, which lowers the amount of time spent processing invoices for payment.

All cardholders have a minimum single transaction limit of $2,500 which is enforced at the point of purchase by Visa control features. Limitations are also established for monthly spending limits. Additionally, several controls concerning particular vendor types of usage are placed upon the card.

The payment card program has numerous benefits and advantages when fully implemented.

- Less paperwork and documentation- reduction in invoicing and efforts behind collection of payments
- Immediate electronic verification- merchants are able to electronically verify purchasing authority
- Improved cash flow- payments are sent to suppliers within 24 to 48 hours
- Increased sales- stronger relationships are built between cardholders and suppliers
- Overall reduction in stocking of inventory items
- No transaction or annual fees for using the payment card

The Payment Card Program does not affect State Purchasing regulations or an agency's internal regulations for purchasing. All purchases made with federal moneys must meet requirements set forth by the federal grantor.

The Statewide Payment Card Administrator of the Ohio Office of Budget and Management (OBM) manages the statewide program. Each participating agency has a Payment Card Administrator to manage its card program. The Payment Card Administrator for each agency is responsible for the overall management of the agency's payment card program. Level of participation in the program and the number of cards issued is determined by the executive staff of each agency, subject to the ultimate discretion of the Statewide Payment Card Administrator. All payment cards issued shall have final approval by OBM.

OBM POLICY AND GUIDELINES

1. **Card Issuance and Cancellation**. The Agency Card Administrator is responsible for all card issuances and cancellations.

   - All payment cards issued must be submitted by application and approved by OBM. All cardholders must be current full-time or part-time permanent employees of the State of Ohio. This is verified when the employee provides their unique Employee ID number issued by OAKS.

   - Cards are to be returned immediately to the Agency Card Administrator upon a change in the cardholder's job status upon separation from State employment for any reason, or when required by the Statewide Program Administrator or the Agency Card Administrator.

   - Cards are issued following the acceptance of the Agency Plan that is signed by an agency director or head of the department. A copy of the plan is filed with the Statewide Program Administrator at OBM.

   - If a card becomes lost/stolen, cardholders must report this to their Agency Payment Card Administrator. The agency payment card administrator will notify the Statewide Payment Card Administrator of the situation.

   - Cards may be canceled at any time at the sole discretion of the Statewide Program Administrator, including but not limited to situations involving misuse, abuse, or other improper use.

2. **Payment Card Limitations and Restrictions**. Individual cardholder controls constitute a cardholder's profile.

   - The Agency Card Administrator is responsible for establishing and changing cardholder profiles. Issuance of a card or changes to a cardholder setup *must have the written approval of the Statewide Program Administrator*.

   - The Agency Card Administrator maintains a file of all cardholder agreements, cardholder applications, and cardholder information.

   - The Agency Card Administrator must provide the Statewide Program Administrator a signed cardholder application and will submit a signed cardholder agreement for each cardholder after training. Any change to a cardholder's profiles (limits, reconciler, approver, account number, etc.) must be filed with OBM.

OBM POLICY AND GUIDELINES

3. **The transaction limits and spending limits that apply to all payment cards, unless otherwise noted:**
    - $2,500 single item purchase limit
    - $15,000 monthly spending limit

4. **Payment Card Security- Physical Card and Policies**

    - Use of the payment card is limited to the state employee whose name appears on the face of the card. The payment card shall not be loaned to another person in the agency under any circumstances. If a cardholder is absent for a period of time, the agency should seek to obtain another card for a different designated employee, either temporarily or permanently. The only person entitled to use the Payment Card is the person whose name appears on the face of the card.

    - Each cardholder is responsible for the security of his/her card. All precautions should be used to maintain confidentiality of all information relating to the card, such as the cardholder account number and expiration date. The account number should never be left in a conspicuous place. Each cardholder should examine all receipts, and packing slips to make sure that their account number does not become attainable.

    - The Payment Card should always be treated with the same level of care as your own personal credit cards. Do not leave them unguarded or unprotected at any time.

    - Keep your Payment Card in an accessible -- but secure -- location. Since you, as the cardholder, will be the only one using the Payment Card, it needs to be accessible only to you. No supervisors should ever know, use or keep a written record of a cardholder's 16-digit account number.

    - Guard the Payment Card account number carefully! Do not post it at your desk, write it in your day planner, store the number in an e-mail/ word document or write the 16-digit account number in your cardholder manual.

    - The payment card is not a business card or division card. The purchases made with the payment card are the sole responsibility of the cardholder and the card should not be used or given to anyone for usage because of possible fraudulent charges or cardholder will be unaware of how the card is being used. One payment card used by many employees lacks accountability and responsibility in purchasing good and services.

OBM POLICY AND GUIDELINES

5. **Reconciliation Of Invoices**

- Reconciliation of invoices must be performed each time a transaction is processed for payment.

- Reconciliation consists of reviewing the transaction in OAKS, cardholder log, and the receipt to confirm that all match. In the event all three do not match, a dispute must be filed with the bank and in OAKS. The Agency Card Administrator must also maintain a copy of the disputed transaction. The Agency Card Administrator is also responsible for monitoring and tracking disputes until resolution with the bank.

- Reconciliations must be performed by someone other than the cardholder.

- The Agency Card Administrator shall maintain a system of retaining documentation of purchases and returns, logs, monthly disputed transactions, and other information supporting the purchase transactions.

- Cardholder supervisors shall review logs to determine appropriateness of purchases under the provisions of this Policy.

- Periodically, OBM will request copies of cardholder logs and receipts for transactions that have met a set of criteria for post audit.

- Agency Card Administrators or agency internal audits shall conduct periodic audits of the program.

6. **The Payment Process**. The Agency Card Administrator is responsible for assigning persons to approve payment card invoices daily.

- Approvers must be independent of cardholders.

- Payment card logs are received either on a weekly, bi-weekly, or daily basis depending on the agency setup and *can be paid on a daily basis.*

- Payments must be processed within five business days of the date the transaction was entered into OAKS. The OAKS time/date stamp will identify the start of the five business days.

- The Statewide Card Administrator will monitor aging payment card transactions. Cardholders with transactions on the Reconcile Statement page that are a month or more old, and not in dispute, are subject to restrictions of their purchasing privileges until paid.

- Approvers must have confirmation of receipt of goods, from the cardholder, before payment can be made.

OBM POLICY AND GUIDELINES

6. **The Payment Process (continued)**.

- Approvers are responsible for notifying the Agency Card Administrator when they will be absent or unable to process daily card payments *for any reason*.

- Distribution line of coding can be assigned to cardholder profiles automatically for new cardholder setup.

- Cardholders can have Speed Charts assigned to their cardholder profile by the Statewide Card Administrator. Agency Administrators must complete the cardholder information form and submit it to OBM to have the Speed Charts added to the cardholder's profile. When agencies create a Speed Chart, to be used for payment card transactions, the effective date must be 01/01/1901.

- Transactions will be loaded into OAKS with the default account code of 540001. Approvers must change the account code for each transaction to the appropriate code. If the account code is not changed, when the Payment Card transaction is built to a voucher, the voucher will be built with an account code error and will fail budget check.

- Credits must be processed with a debit for the same cardholder on the same business day.

7. **Cardholder Log**

- Cardholders must maintain a log showing all purchases and returns made using the state payment card. The log provides detailed description of the purchase and credit so the approver can assign the proper distribution coding. An example of a log is in the Appendix. All the data on this log must be available on any agency-designed logs.

- Merchant receipts, invoices or packing slips (i.e., purchase documentation that identifies items purchased) are kept with the log and are filed for audit purposes. Each log entry must be supported by documentation.

- Acceptable purchase documentation establishes a delivery of goods and services. A quote of cost, order placement or backorder notice does not indicate that a transaction has occurred.

- Reconcilers use this log, the attached paperwork, and OAKS to reconcile the cardholder's account.

OBM POLICY AND GUIDELINES

8. **Training and Information**

- All cardholders, cardholder supervisors, card administrators, reconcilers, and approvers must attend training on the policies and procedures associated with the Payment Card Program. They must be informed on payment card policies and procedures and informed on all sources of information relevant to the program.

- OBM will provide additional training for Approvers and Reconcilers on the use of the OAKS Financial to make payments.

9. **Referencing an Encumbrance**

- Agencies will not reference an encumbrance when processing payment card transactions in OAKS.

10. **State Term Contracts**

Cardholders may use the payment card to purchase goods and certain services from state term contract vendors. This includes GDC, LDC, MAC, STS and agency specific contracts. Most new state term contracts include language for use of the payment card for transactions below $2500. For existing contracts that do not include language for the payment card, acceptance of the card is voluntary and at the vendor's discretion.

If the purchase is on a term contract or schedule, it should be noted on the cardholder log in the term contract column. Purchases from GDC, LDC, MAC, STS and agency specific contracts should include the contract number on the transaction line in OAKS. State Purchasing has created duplicate contracts for all contract vendors that are permitted to be used with the Payment Card. These contracts will identify US Bank as the vendor and will appear in the drop down menu as a contract to choose in OAKS.

State Purchasing is responsible for the creation of the duplicate contracts in OAKS. If a contract does not appear in the drop down menu, agencies should contact State Purchasing to inform them the contract needs added to the menu for selection.

11. **Agent Fees / Acceptance Fees / Service Fees**

Any agent or credit card fee that is <u>not</u> disclosed to the agency shall be disputed immediately regardless of the dollar limit of the fee. Merchants should not be permitted to charge a service fee on the account unless the service fee is disclosed with the cardholder upfront at the time of the purchase. Agencies should also file a complaint to vendor (CTV) with State Purchasing.

If an agent fee or credit card fee <u>is</u> disclosed upfront, the allowable dollar limit on the fee is 15% of the total bill, but not to exceed $30.00.

If there is a contract purchase and payment card language is written in the contract, the vendor is prohibited from charging any additional fees.

OBM POLICY AND GUIDELINES

12. **Employee Awards and the Credit Card**

The purchase of awards in excess of $50.00 per person must have a memo attached from the agency director (designee is not acceptable). The memo should certify that the purchases were made pursuant to ORC 124.17 and OAC 123:1-27-04 and 123:1-27-05 and any executive order in effect. Include employee's name and bargaining unit.

The appointing authority of any state agency, office, board or commission shall notify the director of administrative services of its intent to establish and implement a program and receive the director's approval prior to the program being made effective.)

Some awards made to employees are included in recipients' taxable income and appear on their W2 statements.

For more instructions on Employee Awards please refer to the State of Ohio Financials Manual on OBM's web site.

13. **MBE Set Aside / EDGE Flags**

Purchases made with the payment card can be flagged as MBE Set Aside or EDGE expenditures in OAKS. All payment card transactions will be loaded into OAKS with the status set to N, to signify the transaction is neither MBE nor EDGE programs. To receive MBE or EDGE credits, Approvers must identified the transaction as such on the Reconcile Statement page in OAKS. It is the agency's responsibility to ensure that the vendor, at which the payment card was used, is a certified MBE or EDGE by the state before entering the M or E flag on the transaction. The M, E, and N will appear in a drop down menu in OAKS.

14. **Purchases of goods normally requiring pre-approval of DAS-Computer Services**

The Acquisitions Management Section of the DAS- Computer Services Division has agreed to exempt payment card purchases from pre-approval for transactions totaling less than $2,500.

15. **Payment Card Refund**

A refund for a payment card transaction that has been returned will appear in OAKS on the Reconcile Statement Page. A refund can be identified by the (-) before the dollar amount of the return and is found in the Billing Amount column of the Reconcile Statement page.

Refunds must be processed with a debit of greater dollar amount than the return. When processing the refund, it's not required to apply the same distribution line as the original transaction.

During the OAKS nightly batch process, payment card vouchers are created per cardholder. The voucher amount is the total off Approved transactions minus any credits. Vouchers are built for each cardholder.

OBM POLICY AND GUIDELINES

16. **Using the Payment Card for Services**

The Payment Card can be used to purchase services from pre-approved vendors. The definition of "service" is when the state decides to purchase a product that is not a tangible good, such as renting a piece of equipment, maintenance on a piece of machinery, registration fees, or seminar fees. In each of these situations, the state does not have a tangible product in their possession after the services have been rendered.

When the State of Ohio purchases services from certain vendors, the state is required each year by federal law to report these purchases of services to the Internal Revenue Service (I.R.S.). This reporting to the I.R.S. is called 1099 reporting. Because of the 1099 reporting obligations, OBM has an Internet web site of approved service vendors that can be used with the payment card.

Vendors that are on the service vendor list can also be identified by the vendor type in OAKS. The vendor type will be displayed as a PC. OAKS is the most current and accurate source available for determining if the vendor is already approved for services with the payment card. Cardholder should always check OAKS or OBM's web site before using the payment card for services.

To assist state agencies in looking up the vendors that are approved for services, OBM's web site has an alphabetical table on the Internet that is available to all state agencies. This table is updated with new vendors each month. The Internet list has all vendors in OAKS with the vendor type of "PC" and "GE". However, since changes to the vendor type are ongoing, using OAKS will provide agencies with the most current information.

The address for this specific Internet service vendor list is:

http://www.obm.ohio.gov/pc/vendors/

OBM POLICY AND GUIDELINES

17. **Paying For Incidental Service Fees when Purchasing Goods**

There are situations in which goods are essentially being purchased, but there is an incidental service cost associated with the purchase; for example, a slight fee for cutting when purchasing glass. Another example would be when purchasing a part that must be installed on a machine so that it can be adjusted properly by a vendor. Part of a total purchase price may have a fee for installation and adjustment included in the total.

When the service is incidental to the purchase of goods, the payment card can be used to cover the entire purchase amount. If the fee for the service is ten percent or less of the total purchase price, it can be regarded as incidental to the purchase of the item and can be included in the payment card purchase. In these instances, the total cost should be coded to the purchase of the goods on the Reconcile Statement page. Merchants should be able to inform the cardholder on the amount of the service fee being charged.

If the fee for the service is more than ten percent of the total purchase price, the purchase should be regarded as being a service and the process of using the card for services should be followed.

18. **Internet Purchases and using the Payment Card**

The payment card can be used on the Internet for the purchasing of goods. However, in order to use the card on the Internet, the cardholder must make sure that the web site where the credit card is being placed is secure and that all credit card numbers shall be encrypted while being passed electronically between sellers and buyers.

A cardholder can determine if the web-site is secure in two ways. The first technique is looking at the web-site address where they are placing their credit card number. An Internet web-site is secure when the address changes from http://www to https://www

The second technique to determine if the web-site is secure is by examining the bottom corner of your browser and locating a symbol that resembles a “lock”. The “lock” symbol signifies that the web-site is secure and that all credit card numbers used on this site will be encrypted when passed electronically.

If you choose to use your payment card for a purchase on the Internet, the cardholder will assume all responsibility with whom they are purchasing and using the card.

Paypal may be used with the payment card as long as the vendor, from which the purchase is made, is on the service vendor list (if applicable). The purchase must be for official state use only.

GENERAL CARD PROCEDURES

General Cardholder Instructions

When you make a transaction using the Payment Card, please follow the procedures below:

1. Tell the Supplier that you will be paying with your State of Ohio VISA Payment Card and that your purchases are tax-exempt.

2. Retain all receipts or invoices and log the transaction. Please make sure that the invoice or sales slip clearly shows no sales taxes were paid.

3. Make sure that all receipts or invoices have at least: (1) vendor name, (2) date of purchase and (3) description of items purchased.

4. Make sure all receipts and invoices do not have the 16-digit account number or expiration date printed on it. Mark these numbers out with a marker.

5. Follow your agency's procedures for forwarding the log with the retained sales slips/invoices.

What Do I Do If My Card Is Stolen?

Just like your personal credit cards, if the Payment Card is lost or stolen you must immediately notify US Bank. You must also call your Agency Payment Card Administrator.

Lost/Stolen Cards (24 Hour Bank Coverage): 1-800-344-5696

Agency Payment Card Administrator:

Name_____

Phone Number_____

GENERAL CARD PROCEDURES

How Do I Activate My Card?

Call the 800 number that is provided on the sticker of the card. Remove the sticker after the card has been activated. Employees will be prompted by the automated attendant to enter the last 4 digits of their social security number. Do *not* enter the last 4 digits of the social security number. Use the state of Ohio Employee ID number issued to all employees by HCM. No social security numbers were given to US Bank.

The following are the procedures to activate the Payment Card. Please wait for each prompt to enter the necessary information.

1. Call 1-800-344-5696
2. The prompt will ask you to enter your mailing zip code **or** the account phone number. All accounts have the same zip code and phone number. The zip code is **43219** and the phone number is **614-338-4742**.
3. Next, the prompt will ask for the last 4 digits of your social security number. Remember this is the last 4 digits of the Employee ID number.

What Are The Purchasing Regulations That Must Be Considered Before Purchasing With The Card?

1. The cardholder must follow all agencies internal regulations concerning purchasing.

2. Items that are available from another state agency (State Printing or OPI) must be purchased from them and the payment card cannot be used as payment.

3. Employees using the card are expected to exercise prudent judgment in making purchases. In those cases where the cardholder is making a purchase for less than $2,500 with a vendor, neither phone nor written bids are necessary if the cardholder is reasonably sure that a competitive price is being obtained.

4. Mandatory contracts must be utilized when possible and payment card can be used. Mandatory contracts include General Distribution Contracts (GDC), Multiple Award Contracts (MACs), and some agency specific contracts. Contact your purchasing office for assistance.

Note:

State Term Schedules (STS) and Multiple Award Contracts (MACs) should be considered before purchasing. If you make a payment card purchase from a vendor that is listed on an STS or MAC, in most cases the purchase will be treated as though it was purchased from the MAC or STS for purposes of fee assignments.

If items are available from the Ohio Industries for the Handicapped (OIH), according to the State Use Law, they must be purchased from them. The payment card can be used for the purchasing of goods at OIH.

GENERAL CARD PROCEDURES

Which Suppliers Can I Use?

Any supplier or merchant that accepts Visa can accept the Payment Card. **If a supplier is identified as one who does not follow acceptable practices, cardholders are prohibited from purchasing from these suppliers.**

What Should I do if I am changing My Position or Will No Longer Be Working for My State Agency?

Your Agency Card Administrator will retain the card and then will cancel the account with the bank. The physical payment card can be immediately destroyed on-site.

The Agency Card Administrator should immediately contact the bank to cancel the account. Also, a cardholder information form must be completed and forwarded to OBM to ensure the account is closed in OAKS.

What Should I do About Problems with Merchandise or a Specific Merchant?

If you have a problem with a purchased item or billing resulting from use of the payment card, you should first try to reach a resolution with the supplier or merchant that provided the item; in most cases, disputes can be resolved directly between the cardholder and the merchant. In some instances the resolution will be the supplier will issue you a credit on your account. The supplier or merchant should issue you credit for any item that has been discussed and agreed to for return. Do not accept cash, a rain check or agree to lower a future bill when receiving a credit from a vendor.

Vendors are prohibited from billing for goods before they are shipped. Back-ordered goods should be billed when they are shipped. Vendors who bill before shipping goods should be advised that the State will not continue to purchase where this practice is followed.

GENERAL CARD PROCEDURES

How do I Dispute Items?

If you have a dispute and cannot reach resolution with the merchant, contact your Agency Card Administrator who will complete a disputed items form. The dispute form is available on OBM's web site.

Step 1: Completing a dispute form and fax it to US Bank at 1-866-229-9625. The dispute must be completed within 45 days and filed with US Bank , the number to call to file disputes is 800-344-5696. The Bank will now intercede with the merchant or supplier on your behalf. The Agency Card Administrators should contact the bank representative either by phone, fax or e-mail to ensure that the dispute form was transmitted and received properly.

Step 2: Disputes must also be tracked online in OAKS. When a transaction is posted to the cardholders account, the Approver will dispute the transaction at that time. This process does not replace the dispute procedures required to file with the bank. The dispute in OAKS is for tracking purposes. If the transaction is on dispute with the bank, approvers can not process this transaction for payment until the issue is resolved. The full amount of the transaction must be disputed in OAKS. When a resolution has been determined, the Approver must remove the transaction from the disputed page. The status of the dispute must be tracked in the OAKS comment field located on Disputes page. When comments are added users should also provide the date the comment was recorded.

Examples of disputed items:

- *The merchandise arrives broken and the merchant refused to replace it.*
- *The invoice is for more than your receipt and the merchant refuses to give you a credit.*
- *Do not recognize a particular charge on your account*
- *Duplicate charge from the vendor*

What Reports Are Available?

The payment card reporting tables are available through the data warehouse. Cognos can create custom reports for each agency.

What should I do if My Credit Card is Declined At Point-Of-Sale?

The merchant may make an inquiry about why the transaction was declined or you may make an inquiry by calling 1-800-344-5696. All activity on cardholder accounts is recorded by the bank.

GENERAL CARD PROCEDURES

Under What Circumstances Might My Credit Card Be Declined?

Your payment card will be declined if:

1) You have exceeded your designated single transaction limit or your monthly credit limit.

   NOTE: There are special circumstances when exceeding a limit can be authorized at the sole discretion of the Statewide Payment Card Administrator. Contact your Agency Card Administrator if you believe a temporary increase of the limit is justified. A note will be placed on the cardholder's account allowing the temporary override.

2) You attempt to use the card for a blocked merchant category code, such as a hotel or gasoline station.

   NOTE: If you wish to purchase from a blocked vendor and believe the merchant category code is incorrectly applied, the possibility can be investigated by your Agency Card Administrator to open your account on this category code.

3) Visa has a security concern because of a spending pattern (e.g., you haven't used it for a long time). They may contact you to ask for verification that you have your payment card and that the purchases are valid.

4) "Bill to" address does not match the "Ship to" address. Some vendors that have automated systems often have problems when the "ship to" address does not match the "bill to" address. This bill to address will be the same for all cardholders, it is as follows:

   4310 E. 5th Ave.
   Columbus, OH 43219

GENERAL CARD PROCEDURES

Billing Address / Shipping Address on your payment card account

Sometimes the vendor may ask you to give them the billing address on your payment card account for verification purposes. The billing address and the shipping address are two different addresses on your payment card account.

The Billing address on your payment card account is:

4310 E. 5th Ave.
Columbus, OH 43219

The Shipping address on your account is wherever you want the goods you purchased to be shipped when you place an order. The shipping address may change depending on which department / division you are buying for, but your billing address will always remain the same with your payment card.

Will I Encounter Questions Concerning The Tax-Free Status Of My Purchases?

The card itself should be sufficient identification to allow you to make tax-free purchases. However, there are vendors who will want to have on file a Sales and Use Tax Blanket Exemption Certificate or will want you to fill out a standard form that their business requires. Providing a tax ID number should not be necessary, but if you must give one, use 31-1334820. (The state and its agencies have various tax ID numbers to fulfill various needs, but this one is most closely related to your use.)

What Do I Do If I Am Charged Tax?

If you are still at the place of purchase, ask the vendor to correct the problem. If you have left the place of purchase and the tax is more than $10, return and ask them to correct it. (This may mean issuing a credit for the taxed amount or it may mean canceling the original transaction and entering a new one.) If you have left the place of purchase and the tax is $10 or less, contact your agency administrator for further instructions. Under $10 sales tax depends on your agency's internal policy on paying for sales tax.

Processing Payment Card Transactions in OAKS

Payment Card transactions are loaded nightly to the Reconcile Statement page. This page should be monitored regularly. Authorized Proxies can access cardholder purchasing data by entering the Employee ID number on the Reconcile Statement page.

Distribution codes must be applied to each transaction and the account code must be changed before the status is updated to Approved. Only the agency Approver can add distribution codes. Never change the amount or description fields (merchant name) in OAKS. This detail has been electronically transmitted by the bank.

During the nightly batch process, Approved transactions are built to a voucher. Payment card vouchers are exempt from the voucher workflow approval process. Therefore, vouchers should not be modified unless they have failed budget check. Users should never delete the voucher or lines on the payment card voucher.

After the voucher is built during the nightly batch process, the voucher then goes through pay cycle. Payments are sent to the bank by EFT payment. All vouchers within the same Business Unit are consolidated into one payment amount to US Bank.

OAKS Proxy Roles:

There are three Proxy Roles in OAKS - P-Card Approver, P-Card Reconciler, and P-Card Viewer. Users must complete the OAKS security to identify which of the 3 roles they will perform. After the user's security has been added to the employee's security, then OBM can assign the user to a cardholder as a proxy.

- The cardholder's supervisor is not required to access OAKS. However, they may have access as a P-Card Viewer.

- Agency Card Administrator and Assistant Administrators should be assigned as a P-Card Approver, which will allow them to approve payments if necessary. It doesn't mean they are the cardholder Approver. Agency Card Administrators should be assigned as a proxy to all cardholders.

- Agency Card Administrators, Assistant Administrators, and other critical staff (fiscal officers) should have the ability to see the agency cardholders. They should be assigned as a P-Card Approver or P-Card Viewer.

- Cardholders can not be assigned as P-Card Viewers to their own cardholder profiles due to software limitations.

- When completing the OAKS security form for P-Card roles, it is only necessary to identify the highest level of security per user. For example: a user that will be a P-Card Approver, does not need to have the other two roles of P-Card Reconciler and P-Card Viewer.

APPENDIX

State of Ohio
CARDHOLDER AGREEMENT

I, _____, agree to the following regarding my use of the Payment Card Program:

1. I understand that I am being entrusted with a powerful and valuable tool and will be making financial commitments on behalf of the State of Ohio and will strive to obtain the best value for the State of Ohio.

2. I understand that under no circumstances will I use the Payment Card to make personal purchases, either for myself or for others. Willful intent to use the Payment Card for personal gain may result in disciplinary actions, including termination of employment.

3. I will follow the established procedures for using the Payment Card. Failure to do so may result in either revocation of my use privileges or other disciplinary actions. Additionally, I will follow all my agency's and State of Ohio purchasing requirements.

4. I have been given a copy of the Payment Card Manual and understand the requirements for using the Payment Card Program.

5. I agree that should I violate the terms of this Agreement and use the Payment Card for personal use or gain, which I will reimburse the State of Ohio for all incurred charges and any fees related to the collection of those charges.

Employee Name (Print)	Agency Payment Card Administrator (Print)
Employee Signature	Agency Payment Card Administrator Signature
Date	Date

Distribute to:
Cardholder
Agency Payment Card Administrator
OBM Statewide Payment Card Administrator

PAYMENT CARD LOG

Agency/Business Unit:_____ For the Period: _____thru_____

Cardholder Name:_____ Employee ID:_____ Page_____of_____

TRANS-ACTION DATE	PHONE Y / N	VENDOR NAME CONTACT PERSON PHONE NUMBER	DESCRIPTION OF PURCHASE OR DESCRIPTION OF RETURN	PURCHASED AMOUNT	RETURNED AMOUNT	DATE RECEIVED / RETURNED	MBE SET ASIDE / EDGE (M or E)	STATE TERM CONTRACT (Y or N)	COMPLETED BY APPROVER or RECONCILER OAKS VOUCHER ID	OAKS VOUCHER/ LAST UPDATED DATE

Cardholder Signature and Date_____Supervisor Signature and Date_____

Approver Signature and Date_____ OR Reconciler Signature and Date_____

State of Ohio
Payment Card Program
Policy Summary

The following purchases are appropriate with the Payment Card.

Item	Possible Restrictions
Goods and supplies- tangible items	Must consider state term contract first
Services and rentals	Must be in OAKS with vendor type CN, PC, GE Must be allowed to purchase by state agency Vendor should be on OBM's web-site list No medical services or legal services are allowed
Training & Conference facilities	Must follow State of Ohio Financial Process Manual. Consider MAC term contract vendors Vendor should be on OBM's web-site list
Airline Tickets	Special card created with open MCC's
Utility Payments	Special card created with open MCC's
Employee Recognition	Refer to the State of Ohio Financial Process Manual. ORC 124.17 and OAC 123:1-27-04 and 123:1-27-05
Special Usage	Case by case basis
Emergency Purchase	Case by case basis Always call agency administrator first

*The following purchases are **not** appropriate with the Payment Card.*

Item
Travel and hotels, including car rentals and meal reimbursements
Services or rentals from vendors that are not in OAKS
Services or rentals from vendors that are in OAKS, but as a vendor type TI, SS or SE
Medical Services and Legal Services
Reimbursement for professional exams, licenses or tests
Tuition reimbursement and direct payments
Gasoline, cash advances or petty cash replenishments
Inter-agency purchases
Interest, late charges, debt service, judgments or settlements

Notes and Question Page