

West Virginia's One Card



Ed : 3 Spring 2011

Jefferson Finance Administrators Take Their Purchasing Card Seriously

It didn't take long for Jefferson County Schools to zoom to the pinnacle of the local government purchasing card competition.

While Mary Ruth Durbin, the Accounts Payable Clerk, began to pay a few bills with the card during the summer of 2010, she engaged with the process full-tilt last October. That was just after Durbin heard that the school system ranked sixth-highest in card use, said co-worker and Assistant Treasurer Peggy Smith.

"She jumped on board," Smith said, noting that Durbin did not want to settle for any position but No. 1.

Not that school boards actually compete -- but for each of the past four months, Jefferson County Schools has led the state in total spend -- about \$500,000 a month -- compared to all local entities that use the card. Currently, 148 entities utilize the card, including 25 school systems.

In February, Durbin charged more than \$540,000 in bills to the card. For the last quarter, that helped translate to about \$7,000 in rebates -- a little extra money to use for educating children in West Virginia's eastern-most county.

"This helps supplement our budget," Smith said.

On Feb. 18, State Auditor Glen B. Gainer III tipped his proverbial hat to Susan Wall, superintendent of the school system.

"Jefferson County Schools is a leader in the Local Government Purchasing Card Program and should be proud of it," Gainer said to Wall in a congratulatory letter. "I want to commend you on your leadership and the vision your finance office has shown in using the purchasing cards."

Chief School Business Official Beth Marrone, along with team members Durbin and Smith, has taken a somewhat novel approach to using the p-card. Strongly supported by the board and Wall, Marrone decided to "work all the kinks out" by starting with just one card to pay recurring bills and large-ticket items.

"We wanted to keep it here and make sure internal controls were in place," Smith said. The card currently pays for fuel, heating oil, utilities, phones, maintenance, child nutrition, books, supplies, pest control and more, Durbin said.

"We are cutting check writing in half, if not more," she said. "It's money-saving -- less postage and card stock. And the turn-around time is much less than waiting for a check to be cut."

In early March, Marrone shared her department's p-card successes with transportation officials to acquaint them with the process. A few days later, she was to bring the maintenance department on board.



Finance administrators at Jefferson County Schools lead the State in purchasing card spend though they currently have just one card used by Accounts Payable Clerk Mary Ruth Durbin, seated in front. Team members also include, from left, Patricia Burch, Peggy Smith, Robin Smith, Debbie McCauley, Teresa Feagans and Beth Marrone, Chief School Business Official for the school system in West Virginia's eastern-most county.



Mary Ruth Durbin relies on her competitive juices to keep Jefferson County out in front of other local entities in the state. Last quarter, use of the purchasing card netted the school system about \$7,000 in rebates.



Susan Wall, as
superintendent, oversees
Jefferson County Schools.

“Once we roll it out to transportation and maintenance, our plan is to roll it out to other departments,” Marrone said. Next fall, Marrone’s team will test pilot the program to three or four schools for their faculty senates.

So, what started slowly eventually will involve all dimensions of Jefferson County Schools. Indeed, Marrone plans to send several staff members to the free regional p-card workshop in Martinsburg on March 29, sponsored by the State Auditor’s Office.

“We have had declining revenue and a growing county,” Marrone said. “We had the opportunity to offset the declines. It will be a great benefit to teachers eventually.

“It’s a great program and a great asset.”

Therese Cox, Public Affairs Specialist

Consider This Job Description

People often make the mistake of believing the Auditor’s Office performs only one function – auditing.

But that point of view is a bit – well, hugely -- one-dimensional.

The Chief Inspector Division does oversee audits of municipalities, counties, boards of education and other local authorities, more than 700 in all. To be sure, financial accountability must be ensured.

And there’s even an Auditing Division. Employees there make sure there’s a timely and efficient processing of hundreds of thousands of employee reimbursements and vendor payments.

But those are only two of the mandates the Legislature has given Auditor Glen B. Gainer III and his staff.

Below are some of the other ways the Auditor’s Office serves and protects West Virginia citizens.

---The Accounting Division safeguards the state’s assets, making sure that all state agencies use their resources according to law. It posts transactions within the statewide accounting system, provides input into the budget and reports on finances in a timely manner.

---The Securities Commission registers and monitors stock broker / dealers and investment advisors. It investigates investment frauds and scams and enforces state securities laws. And it educates community groups, students and teachers on the basics of saving and investing.

---The Local Government Services Division not only reviews and approves budgets and tax rates for local governments, it also provides training and technical assistance. Citizens may gain access to these budgets on the Auditor’s Office website.

---The eGovernment/ePayment Division converts checks to electronic payments, thereby saving taxpayer dollars. Up-to-the-minute state payment tracking is available at the State Auditor’s Office website through the VISTA portal.

---Through public auction, the County Collections Division returns tax-delinquent lands to private ownership, generating revenue for counties. The division also prepares annual tax billing statements for each public utility company in the state.

---The Purchasing Card Division offers both state and local government entities an efficient way to streamline the payment process.

Therese Cox, Public Affairs Specialist

Internal Controls - The No. 1 Key to Building a Great P-Card Program

While visiting local governments, I have heard the same concern almost everywhere I go. Whether I am working with a county, a city or a school board, there is some hesitation in issuing employees their own purchasing cards.

You might think that if you issue cards to everyone, you would lose control. How then would you prevent employees from making unauthorized purchases?

While such concern is understandable, we can overcome our lack of trust by instilling a set of internal controls and educating employees about their boundaries.

This may sound complicated and time consuming, but it does not have to be. We will provide you with guidelines and assistance to make this a simple process that will be well worth the time you put into it.

So, what types of internal controls should be used? My first suggestion would be to utilize the different purchasing card restrictions we offer to you on each and every purchasing card you have or will issue. You can use these restrictions to control how your employees are using the cards. For example, you can control when they use the cards, where they use the cards and at what monetary limit.

Setting the number of transactions allowed, restricting monetary limits and blocking merchant category codes are effective ways to ensure that your employees will not use these purchasing cards for anything other than what was approved by your entity. Wouldn't you feel better giving each ambulance driver in the emergency services department or school bus driver in your county a purchasing card knowing that they will not be able to charge more than \$100 a day and only be able to use that card at pay-at-the-pump gas stations?

By setting these types of restrictions on your p-cards, you do not have to worry about someone going to Kroger's and buying family groceries or going to the mall and buying clothes at JC Penney's. Employee p-card misuse and fraud can be prevented by putting these internal controls in place and educating your employees on the consequences of not following these policies.

Once you have your rules set in place, you must train and educate your employees about these policies and their requirements. If you require receipts to be provided for every purchase, you must inform staff and provide them with the means to accomplish this goal; for instance, with log sheets. Establishing consequences for failure to comply will help ensure that employees will take these tasks seriously and strive to follow these requirements.

Catherine Fazzini, CPCP, P-Card Specialist

Local Government Entities Participating in the Purchasing Card Program

- 65 municipalities: Alderson, Anmore, Bayard, Belmont, Bolivar, Bramwell, Buckhannon, Burnsville, Capon Bridge, Charles Town, Chester, Clarksburg, Clearview, Cowen, Danville, Dunbar, Fairmont, Fairview, Follansbee, Franklin, Gauley Bridge, Gilbert, Granville, Hambleton, Harpers Ferry, Hinton, Hurricane, Jane Lew, Kenova, Keyser, Kingwood, Lester, Lewisburg, Madison, Montgomery, Moundsville, New Cumberland, Nitro, Oak Hill, Parkersburg, Parsons, Petersburg, Peterstown, Princeton, Quinwood, Rainelle, Ranson, Richwood, Ridgeley, Ripley, Romney, Ronceverte, Salem, Shinnston, Smithers, Sophia, Star City, Summersville, Union, Weirton, Welch, West Union, Wheeling, White Sulphur Springs, Windsor Heights.
- 37 county commissions: Barbour, Berkeley, Boone, Cabell, Doddridge, Grant, Greenbrier, Hampshire, Harrison, Jefferson, Lewis, Lincoln, Logan, Marshall, Mason, McDowell, Mercer, Monongalia, Monroe, Morgan, Nicholas, Ohio, Pleasants, Pocahontas, Preston, Summers, Tucker, Tyler, Upshur, Wayne, Webster, Wetzell.
- 25 boards of education: Barbour, Boone, Calhoun, Doddridge, Fayette, Grant, Greenbrier,

Hampshire, Hardy, Harrison, Jefferson, Lewis, Lincoln, Logan, Marshall, Monroe, Morgan, Nicholas, Pendleton, Preston, Tucker, Tyler, Upshur, Wayne, Wetzel.

- 21 other types of entities: Boone Co. Ambulance Authority, Central WV Transit Authority, Charles Town Utility Board, Huntington Sanitary Board, Jefferson Co. Parks & Recreation Commission, Lewis Co. Board of Parks & Recreation, Lincoln Co. Health Board, Logan Co. Health Department, Nicholas Co. Health Department, Oak Hill Sanitary Board, Ohio Co. Development Department, Parkersburg Utility Board, Potomac Valley Transit Authority, Putnam Co. Health Department, Regional Education Service Agency III, RESA V, RESA VII, Richwood Water & Sewer, South Branch Career & Technical Center, Wood Co. Parks & Recreation Commission, Wood Co. Solid Waste Authority.

P-Card Training Vitrally Important to Program

Through training, people obtain the ability to perform tasks that aid them in organizing and accomplishing certain objectives.

With rapid changes in the business climate today, I can't stress enough the importance of people obtaining such abilities.

Training is the key in running a successful Purchasing Card Program. It is a "best practice" to mandate training before participants begin using the cards and to take advantage of further training every two years after that.

Without training, participants will not understand their responsibilities, proper policies and procedures, uses of the p-card, required documentation, etc.

Training for participants in the p-card program is crucial for the success of the entity's program. Training will help in the following ways.

- Increase workplace efficiencies and operational effectiveness
- Reduce processing costs
- Help employees understand expectations
- Teach employees to adapt more readily to change (a must in today's economy)
- Increase job satisfaction
- Improve quality of work and work life
- Lift morale of the work force
- Reduce audit findings

Taking advantage of training demonstrates a commitment to keeping employees on the cutting edge of knowledge and practice. The Local Government P-Card Division provides free training services for an entity's officials, program coordinators and cardholders. If you would like to obtain training for yourself and/or your staff, please contact me by emailing jerry.isaacs@wvsao.gov. Or, you may contact your P-Card Specialist.

Elsewhere in this newsletter you will find a list of regional P-card workshops planned for late March and April. They will occur in Martinsburg, Moorefield, Clarksburg, Vienna, Wheeling, Charleston, Barboursville, Princeton and Summersville. Sign up for a free seminar now using the form provided.

Jerry Isaacs, CPCP, P-Card Specialist



State Auditor's 2011 Local Government Regional P-Card Workshops

State Auditor Glen B. Gainer III, through his Local Government Purchasing Card Program, is pleased to offer regional P-Card Workshops for local government entities at convenient locations throughout West Virginia. These workshops will provide training dedicated to the basics of local government p-card in relation to the day-to-day operation of the local government's p-card program. Other related topics will include program management, documentation, auditing, ethics, program expansion/growth, and program support/resources.

City	Workshop Date	Time	Location	Registration Deadline
Martinsburg	March 29	8:30 am-3:30 pm	Holiday Inn - Martinsburg 301 Foxcroft Avenue - 304-267-5500	March 22
Moorefield	March 30	8:30 am-3:30 pm	South Branch Inn - Moorefield 1500 US Highway 220, N. - 304-538-2033	March 22
Clarksburg	April 5	8:30 am-3:30 pm	WV State Auditor's Office - Clarksburg 200 West Main Street, 304-627-2415	March 26
Vienna	April 6	8:30 am-3:30 pm	Wingate Inn - Vienna 1502 Grand Central Avenue - 304-295-5501	March 26
Wheeling	April 7	8:30 am-3:30 pm	SpringHill Suites - Wheeling 908 National Road - 304 -232-8903	March 26
Charleston	April 18	8:30 am-3:30 pm	Marriott Hotel - Charleston 200 Lee Street, East - 304-345-6500	April 5
Barboursville	April 20	8:30 am-3:30 pm	Holiday Inn and Suites - Barboursville 3551 US 60 E. - 304-733-3338	April 5
Princeton	April 26	8:30 am-3:30 pm	Country Inn and Suites - Princeton 111 Halls Ridge Rd - 304-425-2200	April 15
Summersville	April 27	8:30 am-3:30 pm	Country Inn and Suites - Summersville 106 Merchants Walk - 304-872-0555	April 15

Refreshment breaks will be provided. Help us keep costs to a minimum for the free workshops! If you are unable to attend after registering, please call Nancy Pennington at 304-558-2261, ext. 2117 or FAX your cancellation to 304-340-5080. Questions concerning the content of the workshops: Jerry Isaacs at (304) 627-2415, Ext. 5110 or Email: jerry.isaacs@wvsao.gov

To Register: Complete and return by the deadline to: 304-340-5080

2011 LOCAL GOVERNMENT PURCHASING CARD WORKSHOP

FREE TO ATTEND, BUT YOU MUST REGISTER!

Mr. Mrs. Ms. _____

Entity: _____ Mailing Address: _____

Telephone: (304) _____ FAX: (304) _____ Email: _____ (For confirmation)

→→ PLEASE INDICATE THE WORKSHOP LOCATION AND DATE YOU WILL ATTEND:

Martinsburg, March 29
 Moorefield, March 30
 Clarksburg, April 5
 Vienna, April 6
 Wheeling, April 7
 Charleston, April 18
 Barboursville, April 20
 Princeton, April 26
 Summersville, April 27

MAIL TO:
 Nancy Pennington, Event Coordinator
 LG Regional P-Card Workshops
 State Auditor's Office
 Building 1, Room W-100
 Charleston, West Virginia 25305
FAX: 304-340-5080

Free Lunch Will Be Provided

P-Card Specialist Presentation Schedule

**----May 5 and 6: Government Finance Officers Association,
Hilton Garden Inn in Morgantown**

**----May 10 to 13: West Virginia Association of School Board
Officials, Town Center Marriott, Charleston**

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For additional info please contact:

Northern Division

Catherine Fazzini, P-Card Specialist – catherine.fazzini@wvsao.gov; 304-627-2415

Southern Division

Jessica Perdue, P-Card Specialist – jessica.perdue@wvsao.gov; 304-558-2261, Ext. 4007

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