

STATE OF ALABAMA

CARD SERVICES – VISA PURCHASING CARD PROGRAM

BENEFITS

- Efficiencies in payment process
- Vendors paid quickly

CONTROLS

Set & Follow Policies:

- Ensure separation of duties – agency administrator, approvers and cardholders
- Selection of cardholders
- Do not let multiple employees use same card
- No transaction splitting
- Audit function

Card Management:

- Monitor spending
- Monitor spending patterns & suppliers used
- Set spending limits
- Certain MCC codes allowed
- Temporary hold for cardholders on leave

Audit Functions:

- Declined Transactions
- Activity Analysis
- Disputed Charges
- Account Listing
- New Account Activity

WHO USES

- Accounting staff
- Procurement officers
- Others purchasing goods/non-professional services

Fraud Prevention Controls:

| TYPE | DESCRIPTION |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Single transaction (single purchase limit) | Maximum dollar amount allowed for a single transaction |
| Monthly (cycle) and/or daily spend limit | Maximum dollar total allowed per designated time frame |
| Velocity controls (e.g., daily transaction limit) | Limits the number of times a card can be used within a specified time frame |
| Merchant category code (MCC) blocks | Prevents card usage with suppliers in prohibited industries (e.g., casinos, liquor stores, etc) |
| Storefront merchant blocking | Prevents card usage with a particular merchant and/or merchant site |
| ATM blocking | Prevents ATM access for cash advances |