Subject: Procurement Card Program		Policy Number: ADM: 42
Revision Number: 03	Effective Date: 11/17/2025	Original Issue Date: 04/15/2003

1) PURPOSE

a) The purpose of this policy is to simplify the state's small purchase procedures by providing a more efficient and cost-effective method for procuring items of tangible personal property, in which services are not eligible. The procurement card shall not be construed to be either a charge card or a credit card as those terms are commonly used but rather is designed to replace the issuance of local direct purchase orders of up to $1,500.00 and reduce the number of payment vouchers.

2) POLICY

a) **Procurement Card**

i) The Procurement Card shall be used in conformity with the State of New Mexico Procurement Code, DFA Policy, State of New Mexico Purchasing Cardholder Agreement, and the present policy. Best Value selection criteria must be used when making a purchase with the Procurement Card.

ii) Procurement Cards will be issued only to department employees who are authorized by their supervisor and division directors to use the Procurement Card/Travel Procurement Card.

iii) Division Directors will set monthly spending limits for each cardholder based on need.

iv) Division Directors will select a Procurement Card Administrator for their division.

v) Authorized cardholders must sign a cardholder's agreement and attend training on the use of the Procurement Card before they are issued a card.

vi) The Procurement Card is to be used for legitimate department business purposes only. The Procurement Card may not be used for travel, registration fees, or other restricted categories of goods and services (refer to section ii).

vii) The Procurement Card is to be treated with the same level of care as one's own personal credit cards. Cardholders should exercise care for the secure custody of the Procurement Card.

viii) Only the person whose name appears on the Procurement Card is permitted to use the card.

ix) Divisions will pay all authorized charges made against the card, in full, at the end of each month.

x) Division Procurement Card Administrators are responsible for verifying budget and authorizing purchases. Budget must not be overspent.

xi) The entire balance must be paid by the due date on the monthly billing statement regardless of credits or disputes with vendor and Bank of America.

xii) Original receipts must be kept for payment purposes by the Procurement Cardholder.

xiii) An affidavit for lost purchase receipts/credit memo form must be submitted and signed by the Cabinet Secretary. Continued loss of receipts may result in suspension of the Procurement Card.

xiv) Lost or stolen cards must be reported to the division Procurement Card Administrator immediately and to Bank of America within 24 hours.

xv) The Procurement Card may be used for emergency procurements to make eligible purchases under a declared emergency if all procedures in the Procurement Code Regulations, DFA policies and procedures, and these policies have been followed.

xvi) Misuse of the Procurement Card may subject cardholders to disciplinary action and could result in immediate dismissal, pursuant to State Personnel Office Rule 1 NMAC 7.11.10.

xvii) The cardholder is liable for charges incurred using the Procurement Card if the charge is determined to be in violation of state statutes, the State of New Mexico Procurement Code, DFA policies and procedures, or these policies and procedures, or if the charge is for an ineligible purchase. Cardholder privileges are a management prerogative that may be cancelled, restricted, or revoked at any time without cause by agency management or DFA. The cardholder will comply with DFA policies and procedures, state contracts and price agreements and all other applicable financial and accounting laws, rules, policies, procedures including DFA Rule 95-1 Regulations Governing the Per Diem

and Mileage Act, and the Per Diem and Mileage Act Section 10-8-1 through 10-8-8, NMSA 1978.

b) **Travel Procurement Card**
   i) The Procurement Card assigned for travel shall be used by the travel coordinator to reserve lodging and rental cars, and purchase airline tickets for state employees traveling on official business only.
   ii) The cardholder must comply with all other procedures as set forth in this policy.
   iii) Use of the Procurement Card for travel is restricted to the following:
      (1) To secure and guarantee room reservations not for payment.
      (2) To secure and guarantee car rental reservation not for payment.
      (3) To purchase airline tickets, which may include fare, applicable taxes, and reissuing fees only.
   iv) The Procurement Card for travel shall be used for the above purposes only. Registration fees are not a valid use of the Travel Procurement Card.

3) APPLICABILITY

a) This policy applies to all employees of the Department of Public Safety. This policy shall not be effective until approved by DFA.

4) REFERENCES

a) DPS Policies and Procedures
b) State Personnel Office Rule 1 NMAC 7.11.10
c) Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, as amended
d) Public Records Act, Section 14-3-1 through 14-3-25 NMSA 1978
e) State of New Mexico Procurement Card Policy and Procedures

5) DEFINITIONS

a) **Procurement Card** – The card used to procure goods only by authorized individuals.
b) **Travel Procurement** Card – The card used to reserve lodging and rental cars and purchase airline tickets for state employees traveling on official state business only.
c) **DPO** – Direct Purchase Orders.

6) OPERATIONAL PROCEDURES

a) **Cardholder shall:**
   i) Obtain supervisor's approval to make a purchase and complete the Internal Purchase Requisition accordingly.
   ii) Contact the division Procurement Card administrator to check budget availability prior to making a purchase.
   iii) Obtain tax-exempt certificates from division Procurement Card administrator prior to making a purchase. State of New Mexico is exempt from paying taxes on goods.
   iv) Purchase needed items from a participating vendor, vendors who accept Visa credit cards, with the Procurement Card. Obtain a copy of the signed purchase receipt from the vendor. Note reason for the purchase, for example: work order number, job, et cetera on the back of the receipt. If purchase is made via a website or the telephone, record the confirmation number. If applicable, print screen from the website to provide confirmation number and total cost of order.
   v) File the purchase receipt until cardholder receives a billing statement from Bank of America.
   vi) Obtain credit memos, not cash, for items that are returned. Match up purchase receipts and credit memos to transactions on the billing statement.
   vii) Prepare an affidavit for lost purchase receipt/credit memo form and acquire Cabinet Secretary's signature for lost receipt(s).
   viii) Attach purchase receipts, credit memos, and affidavit for lost purchase receipt/credit memo form to the billing statement and obtain supervisor approval signature on the billing statement.
   ix) Submit approved billing statement and all supporting documents to the division Procurement Card Administrator for payment.
   x) Report to the division Procurement Card Administrator any disputed purchases.
   xi) Upon termination of employment with the department, the cardholder will turn in the Procurement Card, purchase receipts, credit memos, and any affidavits for lost purchase receipt/credit memo to division Procurement Card Administrator.

b) **Division Procurement Card Administrator shall:**

i) Obtain, from the division director, the signed Procurement Card Agreement and authorization for pertaining to prospective cardholders and submit them to the department Procurement Card Administrator.
ii) Distribute procurement cards received from the department Procurement Card administrator to cardholders.
iii) Check budget availability before approving procurement card purchases. Budget must not be overspent. Issue tax-exempt certificates upon request.
iv) Maintain Procurement Card purchases approval log.
v) Distribute monthly Bank of America billing statements received from the department Procurement Card administrator to cardholders.
vi) Make sure cardholders return their monthly billing statements, purchase receipts, credit memos, and affidavits for lost purchase receipt/credit memo to process payment within five (5) working days of receipt of billing statement.
vii) Review cardholder receipts, credit memos, affidavit for lost purchase receipt/credit memos, and billing statements for completeness and compliance with the Procurement Code.
viii) Reconcile the cardholder's purchase transactions to the division administrator's Procurement Card Purchases Approval Log to confirm that purchases were authorized.
ix) Report unauthorized purchases and procurement code violations to the employee's supervisor and division director.
x) Work with the department Procurement Card Administrator, Bank of America, and vendor to resolve disputed purchases.
xi) Report lost or stolen Procurement Cards to the department Procurement Card Administrator.
xii) Prepare the monthly Procurement Card Payment Authorization Form for the division. Code each purchase to the applicable fund expenditure account and cost center.
xiii) Obtain approval to pay the purchases from the division director.
xiv) Submit the approved Procurement Card Payment Authorization Forms and supporting billing statements, purchase receipts, credit memos, and affidavits for lost purchase receipt/credit memos to Accounts Payable for payment. Retain copies of all documents for the division's records.
xv) Recover the Procurement Card from the cardholder within 24 hours of employee's last day of employment.

c) **Travel Coordinator shall:**
   i) Have, on file, a completed Out-of-State Travel Request per the Administrative Manual- Processing Travel Requests and Per Diem. In-State travel shall be handled in the same manner.

d) **Department Procurement Card Administrator shall:**
   i) Act as the department liaison between DFA, Bank of America, and division procurement card administrators.
   ii) Develop, implement, and maintain the department Procurement Card Policies and Procedures.
   iii) Train cardholders, supervisor, and Division Procurement Card Administrators.
   iv) Order Procurement Cards from Bank of America.
   v) Distribute to Procurement Card Administrators blank Procurement Card agreements, Procurement Cards, Procurement Card Payment Authorization Forms, and Procurement Card Approval Logs.
   vi) Maintain files of all approved Procurement Card agreements.
   vii) Distribute monthly billing statements received from Bank of America to Division Procurement Card Administrators.
   viii) Retrieve electronic reports on cardholder expenditures from Bank of America EAGLS (web-based software) and distribute them to Division Procurement Card Administrators as requested.
   ix) Establish and notify Division Procurement Card Administrators of monthly cut-off dates for the timely payment of purchases.
   x) Report lost or stolen cards to Bank of American immediately.
   xi) Conduct periodic compliance reviews. Areas of compliance that will be tested include compliance with Procurement Card Policies and Procedures, State Procurement Code, sales and use take charges. Monitor and report to management the level of card use and its impact.
   xii) Document any misuse of the Procurement Card and work together with the cardholder's supervisor and division director to:
      (1) Seek full restitution from the cardholder plus interest at the rate of 18% per annum from the date of the transaction.
      (2) Follow State Personnel Office and Department Disciplinary Procedures set in 1 NMAC 7.11, up to, and including, termination.
      (3) Inform DFA, in writing, within 24 hours.

(4) Inform Bank of America, in writing, within 24 hours.
(5) Remove the card from cardholder's possession.

7) ATTACHMENTS

a) **Department of Public Safety Internal Purchase Requisition, as found on The Insider.**

8) APPROVAL

APPROVED BY: _____ **DATE:** 11/17/25
DPS Cabinet Secretary