



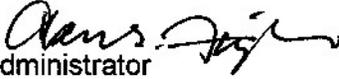
**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

P.O. Box 119
Honolulu, Hawaii 96810-0119
Tel: (808) 587-4700 Fax: (808) 587-4703
<http://hawaii.gov/spo>

October 14, 2011

PROCUREMENT CIRCULAR NO. 2003-06, Amendment 16

TO: Office of the Governor
Office of the Lieutenant Governor
Executive Department Heads (Department of Education,
Office of Hawaiian Affairs, and Hawaii Health Systems Corporation,
please refer to Procurement Circular No. 2003-06, Amendment 15)
State Librarian

FROM: Aaron S. Fujioka, Administrator 

SUBJECT: State of Hawaii Purchasing Card - Mandatory Photo Card

This circular replaces the following memos:

- *State of Hawaii Purchasing Card (pCard) - Photo Card*, July 7, 2008; and
- *Mandatory Photo on pCard*, August 28, 2008.

All executive branch departments are reminded that all pCards are required to be assigned to an individual employee and be imprinted with a photo identification. pCards not designated with a specific employee name, such as pCard designated to a department/agency often referred to as department cards or ghost cards are not permitted.

According to the Federal Trade Commission, the cost of credit card abuse reaches into the hundreds of millions of dollars each year and is on the rise. It is important governmental agencies take every precaution to eliminate fraudulent use by taking advantage of all security measures provided by the card issuer for the State's pCard program. An employee designated photo pCard not only protects against unauthorized use, including loss or stolen cards, but also provides the department greater accountability.

A pCard without an employee's name embossed on the card has no protection against fraud, abuse, or misuse. The State's pCard program currently includes First Hawaiian Bank's (FHB) Zero Liability Policy and MasterCard's MasterCoverage. These liability protection programs protect departments from fraud, abuse, and employee misuse of charge privileges. However, it does not apply to department cards or ghost cards or any card that is not assigned to single individual with photo. Without the protection the department is responsible for all charges incurred up to the pCard's credit limit. Although a pCard may primarily be used for online transactions, this does not preclude the pCard from fraud, and without the liability protections, the pCard is vulnerable to financial loss.

Your staff may call Bonnie Kahakui at 587-4702 if they have any questions, or you may call me at 587-4700.