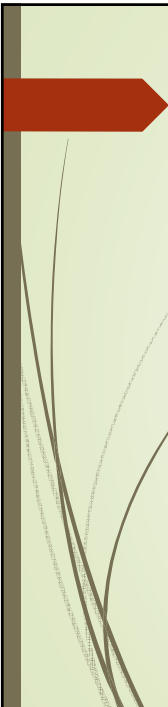



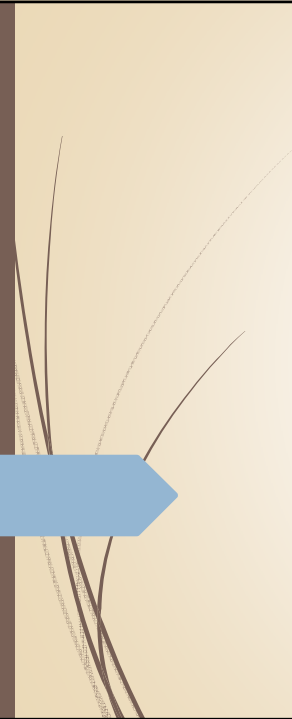
# Annual pCard Administrator/Alternate Meeting

Workshop #176  
October 7, 2015



## Agenda

- I. Introductions
- II. Best Practices – State of Georgia
- III. CentreSuite – Tools & Resources
- IV. EMV/Chip Cards
- V. DataMart Project
- VI. SPO-035
- VII. Emergency pCard – Review of Account Holders
- VIII. pCard Rebate – Points of Contact Update
- IX. pCard Administrators/Alternates – Updated Information




# P-Card Program Best Practices

Program Management Reviews  
Maggie Clarke, CPCP  
State of Georgia – State Purchasing Division  
Presented to State of Hawaii  
October 7, 2015



## Internal Controls Evaluation

<h3>Policy &amp; Procedures</h3> <ul style="list-style-type: none"><li>▀ Program Personnel Responsibilities</li><li>▀ Card Management Topics<ul style="list-style-type: none"><li>▀ Dormant Cards</li><li>▀ Review of Spending Limits</li><li>▀ Consequences of Violations</li><li>▀ Audit Responsibility</li></ul></li><li>▀ Reporting Suspected Abuse</li></ul>	<h3>Questionnaire</h3> <ul style="list-style-type: none"><li>▀ Card Management</li><li>▀ Separation of Duties</li><li>▀ Training<ul style="list-style-type: none"><li>▀ Cardholders</li><li>▀ Supervisors</li><li>▀ Administrators</li></ul></li><li>▀ Use of the Card</li><li>▀ Reconciliation Procedures</li><li>▀ Audit</li></ul>
---	--



## Quick Reviews Using Excel

- ▀ Card Utilization Review
  - ▀ Unused/unnecessary cards are risky
- ▀ Spending Limits Evaluation
  - ▀ Are your cardholders using their spending limits?
  - ▀ Do your cardholders need the levels they have?
  - ▀ Do your cardholders need higher limits?
- ▀ Transactions
  - ▀ Restricted or prohibited MCC's
  - ▀ Single purchases over specific dollar amount
  - ▀ Use pivot tables to identify large spend merchants



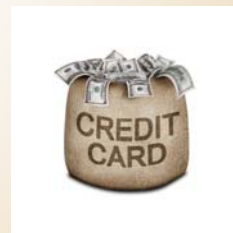
## Transaction Compliance

### Transaction Info

- ▀ Use Merchant Category Codes
  - ▀ Blocked MCC's
  - ▀ Prohibited Purchases
  - ▀ Possible Restricted Items
  - ▀ Maverick Spend
- ▀ Level III Detail
  - ▀ Key Word Search

### Other Info

- ▀ PeopleSoft Financials
  - ▀ Correct Account Number
  - ▀ Purchase Orders
    - ▀ NIGP Code
    - ▀ PO Type





# Benefits of the P-Card... ... can outweigh the risks

- ▶ Agency
  - ▶ Increased efficiency for small (and large) purchases
  - ▶ More oversight and transparency into purchases
- ▶ Employees
  - ▶ Obtain goods faster
  - ▶ More time for other tasks
- ▶ Suppliers
  - ▶ Paid faster without risk of non-payment or bounced checks



# Questions?



# FIRST HAWAIIAN BANK STATE OF HAWAII WEBINAR EMV



OCTOBER 7, 2015

## BACKGROUND



↓  
Europay ↓ Visa  
↓  
MasterCard

American Express  
Discover, JCB,  
UnionPay



Standards to promote worldwide interoperability and acceptance of secure payment transactions



EMV Contact and Contactless Specification ("The Liability Shift")



## HOW DOES EMV WORK?

EMV Contact



EMV Contactless







## WHY EMV?



- Cards will have a EMV chip **and** magnetic stripe
- Helps to deter face-to-face or card present fraud (e.g. counterfeit)
  - Chips hold more information more securely than magnetic stripes
  - Chips are difficult to recreate and create counterfeit cards with
- Chip cards support dynamic CVV (card verification value) authentication at the time of card authorization
- Magnetic stripes only support static authentication so the magnetic stripe can be more easily copied (a.k.a. card skimming)





# LIABILITY SHIFT – BEFORE 10/1/15

Magnetic Stripe	+		Magnetic Stripe Reader	=	ISSUER Liability
Magnetic Stripe	+		Chip Reader	=	ISSUER Liability
Chip	+		Magnetic Stripe Reader	=	ISSUER Liability
Chip	+		Chip Reader	=	ISSUER Liability

Only for card present transactions



# LIABILITY SHIFT - AFTER 10/1/2015

Magnetic Stripe	+		Magnetic Stripe Reader	=	ISSUER Liability
Magnetic Stripe	+		Chip Reader	=	ISSUER Liability
Chip	+		Magnetic Stripe Reader	=	<b>MERCHANT Liability</b>
Chip	+		Chip Reader	=	ISSUER Liability

Beginning OCTOBER 2015

Only for card present transactions



# PIN OR SIGNATURE?

Chip and PIN vs. Chip and Signature



- Determined by the card issuer
- Most US EMV will be deployed as Chip and Signature
- Chip and PIN more secure but can be logistically problematic (e.g. forgotten PINs at point of sale)

# I DON'T HAVE AN EMV CHIP CARD. WILL MY MAG STRIPE CARD STILL WORK?

Yes. Merchants will still have the capability to process transactions using mag stripe technology.



OR





## WHEN CAN I EXPECT TO RECEIVE MY EMV CHIP CARD?

- First Hawaiian Bank will be issuing EMV chip cards beginning Q2 2016
- Credit verification method: Chip and Signature



17

## DataMart Project

- Captures pCard Data from all Executive Branch Departments
- Requires accurate information inputted into CentreSuite (i.e. object codes, descriptions etc.)
- Access to data will be limited to authorized personnel

## Request to Use pCard for Blocked Purchases

- SPO-035 – Submit form 7 days prior to event
- Insert dates the merchant category code (MCC) should be unblocked (cannot be retroactive or retroactive).
- Insert appropriate MCC (if unknown use [cps.mastercardbusiness.com](http://cps.mastercardbusiness.com))

## Emergency pCard

- ▀ Review and update cardholders
- ▀ Deactivate cards for employees no longer with agency



## pCard Rebates Points of Contact

- Send changes to the First Hawaiian Bank at:  
[comlcard@fhb.com](mailto:comlcard@fhb.com) with a copy to  
[bonnie.a.Kahakui@hawaii.gov](mailto:bonnie.a.Kahakui@hawaii.gov).
- Review designee and mailing address
- On the training site is the list of current designees



## Jurisdiction and Department pCard Administrators & Alternates

- The form SPO-036 and SPO-040 are used to delegate Administrators and alternates.
- Failure to update these forms, whenever there is a change, may cause delays in requesting changes, information, or new cards.
- List will be sent to each department/jurisdiction for verification



## Contact Information

- FHB – [comlcard@fhb.com](mailto:comlcard@fhb.com)
  - Cecilia McMoore
  - Phone: (808) 844-3184
  - Email: [cmcmoore@fhb.com](mailto:cmcmoore@fhb.com)
- State Procurement Office
  - Bonnie Kahakui
    - Phone: (808) 587-4702
    - Email: [bonnie.a.Kahakui@Hawaii.gov](mailto:bonnie.a.Kahakui@Hawaii.gov)
  - Shawn Richey
    - Phone: (808) 586-0577
    - Email: [shawn.l.richey@Hawaii.gov](mailto:shawn.l.richey@Hawaii.gov)