

Statewide Policy on Expenditures by State Employees and Authorized Users

The State of Minnesota provides a variety of procurement tools to state employees and other authorized users to carry out state business efficiently and effectively. These tools include purchasing cards, fleet fuel cards and emergency cards.

While each of these tools is designed for specific situations and is issued to different categories of authorized users, they are intended to be used solely and specifically for government business-related purposes.

This policy memorandum governs the use of state-provided procurement tools and technology.

Department Head Responsibility: Agency policies may further restrict the use of the procurement tools, but cannot authorize higher limits without written permission from the Department of Administration.

Employee and Authorized User Responsibility: State employees and other authorized users are responsible for appropriate use of all procurement tools, including purchasing cards, fleet cards and emergency cards. They are expected to adhere to the highest ethical standards when conducting state business and to follow the Code of Ethics, M.S.43A.38, subd. 4, and related state statutes. A list of applicable statutes follows this statement. For example:

Minn. Stat., Section 43A.38, Subd. 4 regulates "use of state property:"

- An employee shall not use or allow the use of state time, supplies, or state-owned or leased property and equipment for the employee's private interest or any other use not in the interest of the state, except as provided by law.
- An employee may use state time, property, or equipment to communicate electronically with other persons including, but not limited to, elected officials, the employer, or an exclusive bargaining representative under chapter 179A, provided this use, including the value of time spent, results in no incremental cost to the state or results in an incremental cost that is so small as to make accounting for it unreasonable or administratively impracticable.

Minn. Stat., section 43A.39, Subd. 2, provides consequences for "noncompliance" with Chapter 43A:

- Any employee who intentionally fails to comply with the provisions of Chapter 43A shall be subject to disciplinary action and action pursuant to Chapter 609.

Managers and supervisors are responsible for directing employees and authorized users on appropriate use of all state-provided procurement tools, including purchasing cards, fleet cards, and emergency cards through training, supervising, coaching and taking disciplinary action, when necessary.

Each agency is responsible for establishing internal policies regarding state-provided procurement tool use, and for communicating those policies to staff. Each agency will ensure that its responsible authorities know who may use each issued procurement tool and under what conditions they may use it.

Appropriate Use: State employees and authorized users are expected to ensure that purchases made using a state-issued procurement tool are appropriate and comply with the requirements associated with that particular tool. Users of all state-provided procurement tools, including purchasing cards, fleet cards and emergency cards, must be able to withstand public scrutiny without embarrassment to the agency or the State of Minnesota.

“Inappropriate uses” are those that are contrary to state laws, rules and policies. They include but are not limited to:

- Purchasing items for personal use
- Illegal activities
- Non-authorized use (e.g., family member or friend) at work or away from work;
- Use of the tool by a non-authorized user
- Political activities, fund-raising, union-related activities
- Uses that are in any way disruptive or harmful to the reputation or business of the state

Engaging in any of the above listed activities may subject an employee and other authorized users to discipline, up to and including discharge, where appropriate, and criminal and civil sanctions.

Monitoring: State-issued procurement tools such as purchasing cards, fleet cards and emergency cards are state property and authorize users to make purchases on behalf of the State of Minnesota. Like other State resources, they are intended to be used solely for state business and other agency-sanctioned activities. Accordingly, the state reserves and exercises its rights to monitor all procurement card usage. Therefore, employees and other authorized users are subject to the specific data, receipt and other information collection policies associated with the particular procurement tool that is in use.

Record Retention Schedules: Record retention schedules are the same regardless of the medium or tool used to create or store a procurement/purchasing record. As a result, receipts and other electronic reports of procurement tool usage are official records of the agency and must be retained in accordance with the agency's approved record retention schedule appropriate for the type, nature and content of the procurement tool and associated record. Improper disposal may subject the employee and the agency to administrative or legal consequences. The same rules that are used to determine if a paper, microform or videotape record should be retained also apply to procurement tool receipts and electronic records.

This statewide policy was developed by the state's chief procurement officer, materials procurement manager, fleet manager, policy managers and state agencies under the auspices of the Departments of Administration and Finance. This policy will be updated and revised as needed. If you have questions, please contact your agency's procurement personnel or designated official in your agency.

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Attachments:

- Fleet Card Use Policy 1.0
- Purchasing Card Use Policy 2.0
- Emergency Card Use Policy 3.0

Additional References:

- Minn. Stat. section 15.43 – Acceptance of an Advantage
- Minn. Stat. Chapters 16A, 16B, 16C – Departments of Administration & Finance; State Procurement
Minn. Stat. section 43A.38 -- Code of Ethics
- Minn. Stat. sections 138.163 & 138.17 – Public Records Administration
- Minn. Stat. section 609.43 -- Misconduct
- Minn. Stat. section 609.456 – Reporting to State Auditor Department of Finance Operating Policy and Procedure No. 3016.00 Credit Agreements
- Departments of Administration and Finance Statewide Systems SWIFT Reference Guides Point of Entry (POE)