
POLICY TRANSMITTAL NO. 06-36

DATE: JULY 31, 2006

FINANCE DIVISION

DEPARTMENT OF HUMAN SERVICES
OFFICE OF PLANNING, POLICY & RESEARCH

TO: ALL OFFICES

SUBJECT: MANUAL MATERIAL

DHS:2-11, Table of Contents; 2-11-1 through 2-11-1.1; 2-11-20 through 2-11-22; 2-11-30 through 2-11-49; 2-11-60 through 2-11-61; 2-11-70; 2-11-80 through 2-11-81; 2-11-90 through 2-11-102; and 2-11-110.

EXPLANATION: Finance Division regulations are issued to reflect: (1) functions that are the responsibility of the Finance Division; and (2) current practices and procedures. These regulations are issued to coincide with the revisions in PT 06-35, Field Operations Division regulations, and PT 06-34, Human Resources Management Division regulations.

Original signed on 7-31-06

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WF # 06-F (NAP)

INSTRUCTIONS FOR FILING MANUAL MATERIAL

OAC is the acronym for Oklahoma Administrative Code. If OAC appears before a number on an Appendix or before a Section in text, it means the Appendix or text contains rules or administrative law. Lengthy internal policies and procedures have the same Chapter number as the OAC Chapter to which they pertain following a “DHS” number, such as personnel policy at DHS:2-1 and personnel rules at OAC 340:2-1. The “340” is the Title number that designates DHS as the rulemaking agency; the “2” specifies the Chapter number; and the “1” specifies the Subchapter number.

The chronological order for filing manual material is: (1) OAC 340 by designated Chapter and Subchapter number; (2) if applicable, DHS numbered text for the designated Chapter and Subchapter; and (3) all OAC Appendices with the designated Chapter number. For example, the order for filing personnel policy is OAC 340:2-1, DHS:2-1, and OAC 340:2 Appendices behind all Chapter 2 manual material. Any questions or assistance with filing manual material will be addressed by contacting Policy Management Unit staff at (405) 521-3611.

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PART 1. SCOPE

**DHS:2-11-1. Finance Information Systems Unit security plan [AMENDED AND
RENUMBERED TO DHS:2-11-110]**

DHS:2-11-1.1. Scope

The Finance Division:

(1) performs centralized accounting, fiscal reporting, claims auditing, payroll, and budgeting functions for the Oklahoma Department of Human Services (OKDHS); and

(2) provides fiscal guidance for OKDHS personnel based on generally accepted accounting principles, governmental accounting standards, the governmental auditing standards as prescribed by the federal Office of Management and Budget (OMB) Circular A133, the cost principles for federal funds received by state government as prescribed by OMB Circular A87, and adherence to the Oklahoma central purchasing laws.

PART 3. BUDGET**DHS:2-11-20. Appropriations**

On or before June 1 of each year or as soon thereafter as possible, the Director of Oklahoma Department of Human Services (OKDHS) files with the Director of the Office of State Finance (OSF) and the Legislative Fiscal Office a budget work program for the ensuing fiscal year. Appropriated funds for the new fiscal year are typically finalized on the last Friday in May.

DHS:2-11-21. OKDHS budget

(a) OKDHS budget request. The Oklahoma Department of Human Services (OKDHS) upcoming fiscal year budget request is statutorily required to be submitted to the Office of State Finance (OSF) no later than October 1 of each fiscal year.

(1) Preparation. Each year in May, the Finance Division delivers instructions, forms, and electronic request forms to each division director with a required completion date.

(A) Designated personnel within each division are required to complete the necessary forms for all request items and return them to the Finance Division.

(B) New or expanded capital projects are included in the budget request process.

(2) Budget request meetings. The Finance Division schedules the annual budget request review meetings.

(3) Submission. The Agency Request Summary is compiled by the Finance Division and submitted to the Oklahoma Commission for Human Services (Commission) for approval.

(b) OKDHS capital request. The OKDHS capital request is the responsibility of Support Services Division (SSD). The OKDHS capital request provides prioritized lists, cost estimates, and justification of capital needs for all OKDHS facilities for the request year. It is reviewed and approved by the OKDHS Director and Commission. The OKDHS upcoming fiscal year capital request is statutorily required to be submitted to OSF no later than July 1 of each year.

(1) Preparation. SSD is responsible for collecting capital requests from OKDHS divisions and submitting the information to the Finance Division. Each division director is responsible for prioritizing all capital needs within his or her purview.

(2) Submission. After final prioritization and approval by the OKDHS Director and the Commission, the capital request is submitted to the Oklahoma State Bond Advisor.

DHS:2-11-22. Budget management

(a) Scope and coordination. The Finance Division ensures the coordination of the Oklahoma Department of Human Services (OKDHS) operating budget and expenditure transactions within the limits of the budget work program and budget revisions.

(1) Access. To obtain access to the Budget Management System, the user must have a Finance Information Systems user identification (ID) number assigned by the Finance Information Systems Unit.

(A) To obtain system access, a written request from the prospective user's supervisor is submitted by e-mail to the Finance Division Budget Unit.

(B) The request specifies the prospective user's:

(i) full name;

(ii) ID number;

(iii) the type of access needed; and

(iv) the funds, accounts, and locations to be accessed.

(2) Training. Budget Management System training is provided by the Finance Division Budget Unit.

(A) Authorized personnel requesting access to the system must attend a Budget Management System training session.

(B) Written requests for training are submitted by e-mail to the Finance Division Budget Unit.

(C) Classes are scheduled, and the prospective trainees notified.

(b) Purchase authorizations or encumbrances. A purchase authorization or encumbrance provides a mechanism that sets aside, or encumbers, budget funds within a specific budget for anticipated expenditures. A purchase authorization number must be obtained prior any OKDHS purchase.

(c) Set purchase authorization numbers. Encumbrances for established and ongoing purchase authorizations are established by the Finance Division prior to the start of each fiscal year.

(1) **Encumbrances.** Encumbrances are based on expenditure history for recurring expenses.

(2) **List.** A complete listing of the set purchase authorization numbers is distributed to each Budget Management System user prior to the beginning of each fiscal year.

(d) **Budget codes.** A three-digit number is used within the Budget Management System to classify similar object of expenditure codes within a major category.

(1) **Restricted budget codes.** Restricted budget codes allow for control of a budget area.

(2) **Purpose.** The purpose of the restricted budget codes is to:

(A) ensure that funds are not depleted in order to reserve funds for expenditures based on historical data;

(B) comply with expenditure caps directed by the Office of State Finance (OSF); and

(C) monitor and control specific expenditures during a spending freeze.

(e) **Budget or encumbrance adjustments.**

(1) **Unrestricted budget areas.** The Budget Management System allows authorized users to transfer budget authority from one budget area to another provided the transaction is within the same sub-account and does not affect a restricted finance location or budget code.

(2) **Restricted budget areas.** Requests to transfer funds within restricted budget areas are submitted on Form 10BG203E, Budget Control Request - Change in Funding, and directed to the Budget Unit.

(3) **Adjustments.** The Budget Management System allows authorized users to increase, decrease, add a line to, or cancel a purchase authorization encumbrance. There are no purchase authorization encumbrance adjustment restrictions, provided:

(A) there are adequate monies available within the budget area; or

(B) the amount of a reduction is less than the expenditure(s) or the amount of the requisition.

(f) Requesting new funding codes.

(1) Finance locations. A written request for a new series of finance locations is submitted to the Budget Unit at least six months prior to the beginning of a new fiscal year.

(A) A brief description of the use and intent of the location series is included in the request.

(B) Implementation of the new location series coincides with the beginning of the new fiscal year.

(2) Sub-accounts. A written request for new sub-account numbers is submitted to the Budget Unit at least six months prior to the beginning of a new fiscal year.

(A) A brief description of the use and intent of the new sub-account number is included with the request.

(B) Implementation of the new sub-account number coincides with the beginning of the new fiscal year.

(g) Position budgeting. Positions must be fully funded to meet salary requirements of the incumbent employee. The budget amount for the position must be equal to or greater than the actual salary paid.

(1) Process for an existing position. When a salary increase, for any reason, is being considered, the procedures in (A) and (B) are followed.

(A) The designated personnel employee in the office, unit, or division verifies that the budgeted funding adequately covers the new salary and runs a Position Budgeting Report (PBR) from the Human Resource Information System (HRIS) to verify salary.

(i) If the position does not have enough budget to meet the new salary requirements, the PBR is used to look for excess funding from other positions that can be moved.

(ii) The excess funding from an over funded position in the same account and location is moved to the position needing the extra budget.

(B) The area office liaison or human resource (HR) person contact the Finance Division Budget Unit designee for budgeting payroll to move funds from one

position to another. Human services centers contact their area office liaison. Other offices contact their HR liaison. Required information to process the transaction is:

- (i) the two affected positions;
- (ii) the finance account and location; and
- (iii) amount needed for the monthly increase.

(2) **Position funding.** Depending on the state dollar match, the Finance Division Budget Unit designee works with the contact to ensure there are state dollars to support the position. The required information included in (A) through (C) is sent to the division's HR liaison and then to the Budget Unit designee to fund the position and add budget to the system.

(A) Requirements for funding a new position are:

- (i) the Director's approval in writing for a full-time equivalent (FTE) position; and
- (ii) identification of the Finance Division account, location, and budget code that the funding will come from, if the division has the funds.

(B) Consideration must be given to permanent annualized funding for the next fiscal year, if the position is funded only for a partial year.

(C) The Director's approval is required for the Finance Division to use one time funds for the current fiscal year and, when needed, the balance for permanent funding for the next fiscal year.

(h) **Thirty-month lapse.**

(1) **Operating funds.** Operating funds are good from July 1 of the new fiscal year for a total of 30 months. The funds must be encumbered during the fiscal year prior to the last 18 months, in order to be available to pay for goods and services.

(2) **Capital funds.** Capital funds are good from July 1 of the new fiscal year for a total of 30 months and remain in that fund and account for the length of time the funds are expendable.

(i) **One-time funding.** One-time funding is used for a non-annual expenditure and is

requested by the division:

(1) contacting the Finance Division budget analyst for the division to verify if the use of one-time funding is appropriate; and

(2) obtaining the Director's approval for use of one-time funds in writing.

(i) **Information technology requests.** All budget requests that are considered information technology related must be identified as such by identifying the appropriate data processing account and location code.

PART 5. CLAIMS**DHS:2-11-30. Claim payments**

Claims for payment against the Oklahoma Department of Human Services (OKDHS) are submitted to the Finance Division within 90 days of receipt of the corresponding goods or services.

(1) **Administrative invoices.** Administrative invoices must include:

(A) invoice date;

(B) service or delivery date;

(C) date received at the OKDHS location authorized to receive the items;

(D) receipt certification signature by an authorized OKDHS employee;

(E) an itemized list of goods or services;

(F) quantity of items;

(G) description of goods or services;

(H) unit price;

(I) extended price;

(J) invoice total;

(K) signature of the person authorized to approve purchases as indicated on Form 10CL222E, Authorized Signature Card; and

(L) when applicable, the contract number or information regarding the client's:

(i) case number;

(ii) name;

(iii) date of birth;

(iv) Social Security number; and

(v) specific purchase authorization number.

(2) **Automated authorizations.** Automated authorizations are initiated and printed at the local office level for client benefit services programs. Instructions for completing the authorizations are included on the form.

(A) The automated authorizations are:

(i) Form 10CL014E, Children and Family Services Division Authorization;

(ii) Form 10CL016E, Children and Family Services Division Nonrecurring Fees Authorization;

(iii) Form 10CL011E, Child Welfare Clothing Authorization;

(iv) Form 10CL013E, Family Support Services Division (FSSD) Authorization;

(v) Form 10CL012E, Diversion Assistance Authorization;

(vi) Form 10CL018E, Family Support Services Division (FSSD) Flexible Funds Authorization; and

(vii) Form 10CL015E, Fingerprinting Services Authorization.

(B) An authorization that is submitted to the Finance Division for payment without complete and accurate information is returned to the local office, and results in vendor payment delays.

(C) The original authorization must have the OKDHS official signature signed in red ink.

(D) The local worker must verify the prospective vendor is listed on the Finance Division master vendor file. If the vendor is not listed on the master vendor file, the worker prints and attaches Form 23CO135E, Vendor Information Form, to the authorization form and instructs the client to request the vendor complete Form 23CO135E and submit it with the authorization form.

(3) **Employee reimbursement.** Employee reimbursement during non-emergency situations must be pre-authorized by the Finance Division. Reimbursement to an OKDHS employee for emergency purchases is permitted only when a vendor refuses to invoice OKDHS for goods or services. Claims for reimbursement are submitted to the Finance Division on Form 10AD012E, Claim Form, which must

contain the:

(A) original signature of the employee requesting reimbursement;

(B) original signature of the approving official;

(C) signature and seal of a notary public;

(D) a declaration on the face of the form stating: "I certify that an emergency existed and that the vendor was unable to invoice the OKDHS." Claim for reimbursement for a client's birth certificate is exempt from the declaration;

(E) an annotation from the vendor indicating the acquisition is paid in full;

(F) proof of expenditure that is evidenced by the itemization of charges on the employee's:

(i) cash payment sales receipt;

(ii) copy of the front and back of the canceled check;

(iii) copy of the credit card receipt; or

(iv) credit card impressed receipt;

(G) when applicable, the case number of the client for whom the purchase was made; and

(H) a justification memorandum signed by the appropriate division director for each reimbursement request exceeding \$100.

(4) **Remote entry.** The chief financial officer may approve on request that claims be input in the Finance Division AS400 computer system from specified remote OKDHS administered locations.

(A) Requests are submitted to the Finance Division Claims Unit manager from the appropriate division director.

(B) Each supporting corresponding invoice is mailed to the Finance Division Claims Unit with the appropriate approval signature and a temporary claim number is assigned.

(C) The Finance Division Claims Unit auditor:

(i) recalls the claim from the temporary claim number;

(ii) reviews and verifies the information for compliance with claims processing requirements and accuracy in the entry process; and

(iii) releases the claim for payment, or returns it for correction.

(5) **Standard payments.** A contract specifying standard fixed-amount monthly payments for services may be paid by specialized, customized, and time critical claims processing procedures.

(6) **Signature authority.** The Finance Division may grant signature authority for travel, administrative, and foster care claims to specified employees at the request of the applicable chief officer administratively responsible for the affected entity.

(A) All requests are submitted to the Finance Division on Form 10CL222E.

(B) If an employee's approval authority changes, the supervisor notifies the Finance Division immediately.

(C) The Finance Division performs random audits of the signature authority files and may elect to delete signature authority for:

(i) failure to respond to audit inquiries;

(ii) notification of employee termination; or

(iii) duty station changes.

(7) **Master vendor file.** Each vendor must submit Form 23C0135E to the Finance Division Claims Unit to be included in the joint master vendor file maintained by the Finance Division and Office of State Finance (OSF) on the CORE PeopleSoft system. Payments are only made to vendors listed on the master vendor file.

DHS:2-11-31. Purchase card program

(a) Scope. The purchase card (p/card) program establishes the use of commercial purchase cards by the State of Oklahoma and adheres to the Department of Central Services (DCS) p/card policy at OAC 580:15-6-18 and available at www.dcs.ok.gov/. DCS controls all matters related to the p/card.

(b) Purpose. The purpose of the program is to facilitate the lowest priced purchases needed for conducting official state business and enhance effectiveness or economy of operations.

(c) Finance Division responsibility. The Finance Division is responsible for managing the use of p/cards within the Oklahoma Department of Human Services (OKDHS).

(1) P/card administrator. The OKDHS p/card administrator is the Finance Division staff member designated to assist the Finance Division Claims Unit audit manager with implementation and operation of the p/card program.

(2) Finance Division approving official. The Finance Division approving official is one or more staff members designated by the Finance Division Claims Unit audit manager to perform the final audit and review and approve cardholder transactions.

(3) Commercial card authorized signers. Commercial card authorized signers are limited to the OKDHS chief financial officer (CFO), the OKDHS p/card administrator, or their designee. Form 10CL002E, Commercial Card Authorized Signers, is completed and submitted to the issuing bank to establish authority to make modifications to:

(A) the existing cardholder's accounts or controls;

(B) add new cardholder accounts;

(C) make modifications to existing hierarchy data; and

(D) add new hierarchy data.

(4) Cardholders. Cardholders are permanent OKDHS employees designated by their division director to execute purchases using a p/card. P/cards are not issued to temporary employees.

DHS:2-11-32. Definitions

The following words and terms, when used in this Part, shall have the following meanings unless the context clearly indicates otherwise:

"Billing cycle" or "cycle" means a period of time ending on the same date each month. For example, cycle 27 ends at midnight on the 27th of each month. All transactions posting to the cardholder account from the 28th of the month to the 27th of the next month would be within one cycle. If the cycle occurs on Saturday, Sunday, or a bank holiday, the cycle ends on the business day following the cycle date.

"Cardholder's authorized signer" is a person who is authorized to make commitments against or approve expenditures on purchase card (p/card) purchases. An authorized signer must have Form 10CL222E, Authorization Signature Card, on file with the Finance Division. Only hand-written signatures are accepted.

"Issuing bank" means the bank issuing the p/card for the State of Oklahoma.

"Merchant," "supplier," or "vendor" means a business or other organization that provides products to customers.

"Merchant category code (MCC)" means a standard identifier used by the credit card industry to designate businesses based on the type of products provided, and assigned by the acquiring bank.

"Merchant category code group (MCCG)" means a defined category of business designations used to control cardholder purchases from particular types of businesses. MCCGs are defined for OKDHS by the Finance Division.

"Split purchasing" means dividing or failing to consolidate a known quantity of products for the purpose of evading:

(A) the p/card statutory single transaction limit of \$2,500; [74 O.S. § 85.5]

(B) limits established for an individual p/card; or

(C) a quotation or bidding requirement.

"Transaction" means a single purchase or credit.

DHS:2-11-33. Personal responsibility

Use of the purchase card (p/card) is solely for official Oklahoma Department of Human Services (OKDHS) purchases.

(1) Responsibility and accountability for the p/card resides at the unit level in each division.

(2) The cardholder is accountable to OKDHS for all charges made with the p/card and may be held personally responsible for using the p/card to make an inappropriate purchase.

(3) The cardholder may provide information to vendors who do not accept the purchase card (p/card) on becoming a p/card vendor.

DHS:2-11-34. Issuance of purchase card

Purchase cards (p/cards) are issued by the issuing bank in the name of the Oklahoma Department of Human Services (OKDHS) and include the cardholder's name and account number.

(1) Employees designated to use a p/card must complete and submit to the Finance Division:

(A) Form 10CL008E, Commercial Card Cardholder Account; and

(B) Form 10CL003E, State of Oklahoma Purchase Card Employee Agreement.

(2) Upon approval to receive a p/card, the cardholder must:

(A) attend training prescribed by the Department of Central Services; and

(B) sign Form 10CL004E, Receipt for Purchase Card, at the time the p/card is received.

DHS:2-11-35. Controls and limits for purchase card

The Finance Division is required to establish the categories of controls and limits on each purchase card (p/card). The mandatory categories are:

(1) credit limit, dollar amount per cycle of \$25,000 or less;

(2) single purchase limit, dollar amount per transaction must not exceed \$2,500; [74 O.S. § 85.5] and

(3) merchant category code group (MCCG) codes.

DHS:2-11-36. Transaction flow for purchases, account reconciliation, and payment**(a) Purchases.****(1) Cardholder.** The cardholder:

(A) makes a purchase from a vendor using the purchase card (p/card);

(B) retains the itemized receipt on all p/card purchases, including walk-in purchases and purchases by phone, fax, mail, or Internet; and

(C) maintains Form 10CL009E, Purchase Card Log, on all p/card purchases.

(2) Vendor. The vendor delivers products and submits the transaction to the issuing bank.**(3) Issuing bank.** The issuing bank:

(A) pays the vendor; and

(B) furnishes the cardholder with a statement of purchases each month.

(b) Account reconciliation.

(1) Cardholder responsibilities. Each cardholder is held personally responsible for payment of purchases that are inappropriate as defined by this regulation. The cardholder is subject to disciplinary action for misuse of the card. The cardholder has five working days after the monthly statement is received to complete the account reconciliation. The cardholder:

(A) checks the itemized receipts and entries on Form 10CL009E against the issuing bank's statement to verify that purchases and returns are accurately listed and charged to the cardholder's account and notes any discrepancies on Form 10CL009E.

(i) Divisions may choose to delegate the reconciliation of cardholder itemized receipts against the issuing bank's statement to another individual.

(ii) Transactions made on or near the cycle date, the 27th of the month, may appear on the next cycle monthly statement. The cardholder carries these transactions over to the new Form 10CL009E for the next month;

(B) signs and dates Form 10CL009E indicating confirmation of the purchases;

(C) obtains the cardholder's authorized signer's signature on Form 10CL009E;
and

(D) submits to the Finance Division one copy of:

(i) Form 10CL009E signed by the cardholder and cardholder's authorized
signer; and

(ii) the issuing bank's statement.

(2) **Finance Division responsibilities.** The Finance Division approving official reviews the copies of the p/card log and the issuing bank's statement for accuracy, completeness, appropriateness of purchase, and compliance with the Oklahoma Central Purchasing Act.

(A) The approving official contacts the cardholder by phone or e-mail to clarify any issue regarding purchases. The cardholder provides supporting documentation as needed.

(B) When questions cannot be resolved between the approving official and the cardholder, the approving official contacts the cardholder's approving signer for resolution. The approving signer must resolve the issue within two working days. If the issue is not timely resolved, p/card use may be suspended at the discretion of the Finance Division p/card administrator and/or chief financial officer.

(C) Oklahoma Department of Human Services (OKDHS) is ultimately responsible to pay for p/card purchases that are properly transacted. When an inappropriate purchase is identified or suspected, the Finance Division immediately notifies the cardholder's immediate supervisor.

(3) **Cardholder's authorized signer responsibilities.** It is the responsibility of the cardholder's authorized signer to sign and date the p/card log approving the reconciliation of the p/card and the issuing bank's statement, and certifying compliance with all applicable statutes and policy.

(4) **Payment.** The Finance Division Claims Unit makes a single payment to the issuing bank on behalf of all OKDHS divisions.

DHS:2-11-37. Use of purchase card

(a) **Authorization.** The Oklahoma Department of Human Services (OKDHS) employee to whom the purchase card (p/card) is issued is the only person authorized to make purchases using the card. The p/card is not loaned to another person. Violation of this regulation is considered misuse.

(1) **Purchases.** Issuance of a p/card does not imply prior approval of all purchases. The cardholder must follow procedures established in each division to obtain authorization to purchase.

(2) **Vendor selection.** After determining that the anticipated purchase does not conflict with the Oklahoma Central Purchasing Act, the cardholder may select a vendor that can supply the items with the best method of purchase.

(b) **Purchase methods.** A cardholder does not purchase products from a member of his or her immediate family. The cardholder informs his or her supervisor in writing of any potential conflict of interest. The cardholder determines the most appropriate method for purchasing products.

(1) **Purchase in person??.** When making a purchase in person, the cardholder:

(A) checks the Statewide Contract List on the Department of Central Services Web site, http://www.dcs.state.ok.us/OKDCS.NSF/htmlmedia/sw_contracts.html, and DHS:2-11-39 to make sure the proposed purchase is not a restricted item;

(B) inquires whether the vendor provides discounts for state government agencies and speaks with a representative of the vendor to obtain the discount;

(C) inquires whether there is an additional charge or up-charge for using the p/card.

(i) Cardholders may not purchase from vendors who impose an up-charge for p/card use.

(ii) Cardholders who violate this regulation are reported to the Finance Division p/card administrator;

(D) ensures that the total purchase amount does not exceed the authorized p/card single and cumulative purchase limit for the cardholder's account;

(E) determines whether the price is the best that can reasonably be obtained;

(F) ensures that Oklahoma sales tax is not charged, by providing a copy of the Oklahoma Tax Exemption letter to document that OKDHS is excluded from sales taxes;

(G) obtains an itemized receipt at the time of purchase and retains the receipt for documentation; and

(H) logs the purchase on Form 10CL009E, Purchase Card Log.

(2) **Purchase by phone.** When making a purchase by phone, the cardholder:

(A) follows the applicable procedures in (b)(1);

(B) ensures the total amount, including all costs, such as shipping, handling, freight, and insurance does not exceed the authorized p/card single and cumulative purchase limit for the cardholder's account;

(C) states that he or she is calling from OKDHS and that a corporate purchasing card will be used for this purchase;

(D) gives the vendor:

(i) information from the p/card, including the account number and expiration date;

(ii) the cardholder's phone number; and

(iii) complete delivery address;

(E) requests a receipt or packing slip with itemized descriptions and pricing information be sent with the purchase;

(F) requests that the vendor print only the last four to six digits of the account number on the packing slip;

(G) retains written documentation of phone purchases, including:

(i) date of purchase;

(ii) vendor's name;

(iii) description of items purchased;

(iv) price per item;

(v) freight cost;

(vi) handling cost; and

(vii) insurance cost; and

(H) after receipt of items, retains the packing list and any other documentation.

(3) **Purchase by fax.** When making a purchase by fax, the cardholder follows the applicable procedures (b)(1) and (2). The cardholder also:

(A) retains a copy of the order form and fax confirmation, if available; and

(B) does not mail an original purchase order to the vendor to prevent a duplicate order. If the vendor requires a mailed original purchase order, clearly write "confirming order, do not duplicate."

(4) **Purchase by mail.** When making a purchase by mail, the cardholder:

(A) follows the applicable procedures in (b)(1) and (2);

(B) retains a copy of the order form, including the address where it was mailed; and

(C) provides the vendor with information from the p/card for billing purposes.

(5) **Purchase via Internet.** When making a purchase via the Internet, the cardholder follows the applicable procedures included in (b)(1) through (4). The cardholder also:

(A) ensures Internet purchases are made from a secure site that provides account number encryption;

(B) prints appropriate screens to include item description, costs, and total costs; and

(C) retains printed documentation of purchase.

DHS:2-11-38. Returned purchases, credits, backorders, and vendor disputes

(a) **Returned purchases.** Boxes, containers, special packaging, and packing slips, are retained until it is determined the purchase will not be returned to the vendor. Some items, such as software or fragile items, cannot be returned without the original packaging materials.

(1) The cardholder reads all enclosed instructions. The phone number or instruction for returning the materials is obtained from the packing slip or itemized receipt.

(2) When products purchased with the purchase card (p/card) are returned, the cardholder works directly with the vendor.

(A) When a vendor requires a return authorization number to accept a return, the number is obtained from the shipper. When a package requiring a return authorization number is returned without the number, the package is refused and no credit is issued to the cardholder account.

(B) The cardholder requests an itemized credit receipt for returned items.

(C) When returning an item due to vendor error, payment of the restocking fee is not allowed on the p/card. The p/card may be used to pay the restocking fee when OKDHS returns an item, provided the restocking fee does not exceed limits included in DHS:2-11-35 or violate the Oklahoma Central Purchasing Act.

(b) **Credits.** Documentation pertaining to returns and credits are retained and the monthly statement is checked to ensure the charge is credited properly.

(c) **Backorders.** No charges are incurred for backorders. Charges are only applied for an item that has been received or shipped from the vendor's dock. When backorder charges are on the monthly statement, the cardholder works directly with the vendor to have the charges removed.

(d) **Vendor disputes.**

(1) When the cardholder and the vendor cannot resolve a disputed transaction, the cardholder:

(A) contacts the issuing bank's customer service within 60 calendar days at the phone number listed on the back of the p/card. The issuing bank investigates the dispute on the cardholder's behalf and assists in resolution;

(B) completes and mails Form 10CL006E, Dispute, to the issuing bank for complete processing; and

(C) marks the transaction as disputed on the monthly statement and Form 10CL009E, Purchase Card Log. Regardless of the status of the dispute, payment is made to the issuing bank.

(2) Resolved disputes are reflected on the monthly statement from the issuing bank as a credit. When reconciling the issuing bank's statement and Form 10CL009E, the cardholder documents information in detail on Form 10CL009E to explain the purchase for which the credit is received.

DHS:2-11-39. Excluded purchase card charges

Charges not allowed on a purchase card (p/card) include, but are not limited to:

(1) split purchasing;

(2) Oklahoma sales tax;

(3) cash advances and automated teller machine (ATM) transactions;

(4) gift certificates;

(5) travel expenses;

(6) maintenance and other agreements requiring contract signature;

(7) personal purchases, including but not limited to, activity tickets, snacks, hair cuts, and meals;

(8) gasoline;

(9) postage and mailing fees, including parcel post, certified, and registered mail;

(10) professional and personal services rendered by individuals, corporations, partnerships, or any other entity, including, but not limited to, consultants, attorneys, physicians, engineers, architects, public accountants, or computer programmers; and

(11) other purchases not permitted under the Oklahoma Central Purchasing Act.

DHS:2-11-40. Conference or training fees and membership dues

The purchase card (p/card) may be used to:

(1) contract for conference or training course fees. Allowable charges include:

(A) equipment, such as audio or video equipment;

(B) room use charges;

(C) room set-up services; and

(D) materials; and

(2) pay membership dues for the Oklahoma Department of Human Services membership in professional societies, associations, or social service or civic clubs. Payment of individual memberships is prohibited. The itemized receipt must contain written documentation of the:

(A) complete name of the organization; and

(B) purpose of the membership.

DHS:2-11-41. Documentation

Each employee issued a purchase card (p/card) must maintain a current Form 10CL009E, Purchase Card Log, for all p/card purchases. A separate Form 10CL009E is maintained for each p/card for each billing cycle.

(1) **Receipts.** An original itemized receipt from the vendor must support each purchase. Receipts for purchases must include the:

(A) date of purchase;

(B) name of vendor;

(C) total amount of purchase; and

(D) itemized description of items purchased. If the p/card receipt includes only the total amount of purchase, attach the detailed receipt or packing list with detailed information.

(2) **Lost receipts.** Repeated loss of receipts is grounds for discontinuing a cardholder's p/card use or other disciplinary action. When a receipt is lost, the cardholder:

(A) notes the loss on Form 10CL009E and completes Form 10CL005E, Missing Receipt, which is used in lieu of an original receipt; or

(B) contacts the issuing bank to obtain a copy of the receipt. A fee is charged to the cardholder's account for this service.

DHS:2-11-42. Electronic purchase card reports and statements

Purchase card (p/card) transactions are available electronically as they are received from the issuing bank at <https://pwnet.procard.com/stateofoklahoma/default.asp> to the cardholder and the Finance Division approving official. Account information is:

(1) viewed and reports generated at <https://pwnet.procard.com/stateofoklahoma/default.asp>; and

(2) maintained on the PVS Net server for 13 months. Each division establishes a procedure for maintaining necessary data before it is removed from the server.

DHS:2-11-43. Record retention

Purchase card (p/card) records are maintained in a central location at each work location for seven years. Records include, but are not limited to, Form 10CL009E, Purchase Card Log, itemized receipts, dispute documents, and any other pertinent documents in paper or electronic form. Record retention and destruction complies with DHS:2-21-50 through DHS:2-21-55.

DHS:2-11-44. Payment

The Oklahoma Department of Human Services Finance Division makes timely payment to the issuing bank for all purchase card (p/card) purchases without regard to individual discrepancies in transaction billing.

DHS:2-11-45. Lost or stolen purchase card

(a) Immediately upon determining that a purchase card (p/card) is lost or stolen, the cardholder notifies the issuing bank's customer services department at the phone number listed on the back of the p/card. Customer service is available 24 hours per day. The cardholder:

(1) retains these phone numbers readily available but separate from the card;

(2) may be asked to input the first four digits of the card number. If this number is not known, the cardholder holds for a customer service representative;

(3) records on Form 10CL007E, Lost or Stolen Purchase Card Notification:

(A) the date and time the issuing bank was notified;

(B) the name of the customer service representative contacted; and

(C) all information required on the form; and

(4) submits Form 10CL007E within two working days to the Finance Division p/card administrator.

(b) The p/card administrator submits Form 10CL008E, Commercial Card Cardholder Account, to the issuing bank. The issuing bank prepares a new card with a new account number and sends it to the cardholder.

(c) The cardholder's division is responsible for all charges incurred against a lost or stolen card until the card is reported to the issuing bank as lost or stolen.

DHS:2-11-46. Purchase card cancellation

A purchase card (p/card) issued under this program is the property of the Oklahoma Department of Human Services (OKDHS) and is surrendered to the division director or designee upon termination of employment with OKDHS or request of the cardholder's supervisor or the Finance Division p/card administrator.

(1) The Finance Division p/card administrator and chief financial officer retain the right to cancel a specific cardholder's privileges for misuse of the p/card.

(2) Specific cardholder privileges may be cancelled for suspected violation of any Oklahoma statute or the purchasing procedures found at www.dcs.ok.gov/.

(3) When a p/card is canceled, the division director or designee reclaims the p/card and returns it to the Finance Division p/card administrator along with Form 10CL008E, Commercial Card Cardholder Account, marked for deletion.

DHS:2-11-47. Misuse of purchase card

Misuse of a purchase card (p/card) in any manner by a cardholder results in:

- (1) revocation of the privilege to use the p/card;
- (2) disciplinary action;
- (3) termination of employment;
- (4) criminal charges filed with the appropriate authority; or
- (5) a combination of the actions in (1) through (4).

DHS:2-11-48. Purchase card renewal and replacement

(a) **Renewal.** Prior to the expiration date of the purchase card (p/card), the issuing bank prepares a replacement card and sends it to the state p/card administrator. The card is forwarded to the Oklahoma Department of Human Services (OKDHS) Finance Division. Upon a signed Form 10CL004E, Receipt for Purchase Card, by the named cardholder, the card is released to the employee.

(b) **Replacement.** A p/card may be replaced when the original is defective, mutilated, lost, or stolen. The OKDHS p/card administrator submits Form 10CL008E, Commercial Card Cardholder Account, to the issuing bank.

(1) The issuing bank prepares a new card with a new account number and forwards the card to the cardholder via the procedure described in (a).

(2) A defective or mutilated p/card is sent to the Finance Division p/card administrator for disposal.

DHS:2-11-49. Program audits

(a) On a monthly basis the Oklahoma Department of Human Services (OKDHS) purchase card (p/card) administrator receives a report directly from the issuing bank that lists all transactions posted on each cardholder's account.

(b) The OKDHS p/card administrator or designee conducts random audits. The objective of the audit is to determine compliance with the Oklahoma Central Purchasing Act.

(c) The cardholder is responsible for validating all transactions on his or her account when audited.

PART 7. COST ACCOUNTING AND REVENUE ENHANCEMENT

DHS:2-11-60. Cost allocation

The Oklahoma Department of Human Services (OKDHS), a state-administered umbrella agency, maintains on file with the Department of Health and Human Services (DHHS), Division of Cost Allocation, Region VI, a current, approved public assistance cost allocation plan for the allocation of all administrative costs of OKDHS. This plan conforms to all state and federal requirements for cost allocation plans.

(1) Finance Division responsibilities. The Finance Division:

(A) coordinates the preparation, revision, and accumulation of all administrative costs of the cost allocation plan;

(B) oversees the collection of data necessary for allocations and distribution;

(C) uses generally accepted accounting procedures of costs as described in the cost allocation plan;

(D) submits to the regional DHHS office, one week prior to the end of the quarter, revisions reported in the cost allocation plan amendments; and

(E) is responsible for maintaining the Grants Management System for OKDHS.

(2) OKDHS division director responsibilities. Each division director or designee:

(A) is required to inform the Finance Division of any program, procedural, or organizational changes that may affect the distribution of administrative costs;

(B) when joint costs are involved in a division or unit, ensures the division or unit prepares and forwards to the Finance Division reports necessary to distribute administrative costs in accordance with the cost allocation plan;

(C) ensures monthly and quarterly reports are submitted to the Finance Division no later than the 7th day of the month following the end of the quarter.

(i) Strict adherence to this time frame is required so the Finance Division cost allocation staff can meet stringent, mandated federal deadlines.

(ii) Examples of monthly and quarterly reports are time sheets and program utilization reports;

(D) reports revisions for the quarter in the cost allocation plan amendments;

(E) when affected by cost allocation plan amendments, reviews the amendments for:

(i) consistency with organizational responsibilities;

(ii) consistency with approved state plans for public assistance; and

(iii) adherence to state and federal statutes and regulations;

(F) ensures program managers and supervisors who are required by federal mandate to certify that employees directly charged to a single federal program are working solely on the federal program that is providing the federal funding complete and submit signed six-month employee certifications to the Finance Division. Deadlines for returning signed certificates are provided with each batch of six-month certificates mailed to divisions to allow the Finance Division time for:

(i) payroll changes;

(ii) manual adjustments; and

(iii) other activities necessary to ensure the proper cost allocation of the employee's position; and

(G) ensures all original grant awards are submitted to the Finance Division immediately upon receipt.

DHS:2-11-61. Random moment time study

(a) Random moment time study (RMTS). Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Tribal Governments, requires that when an employee's time is devoted to more than one federal and/or state program, the cost of the employee charged to each program must be documented by a time report or other approved method that provides an equitable distribution of cost. RMTS is a:

(1) statistical tool for estimating the distribution of employee time. The Oklahoma Department of Human Services (OKDHS) collects representative employee time studies to estimate the total distribution of employee time statewide to document and support OKDHS claims for federal matching funds; and

(2) survey of random and computer-generated hits that are e-mailed each regular workday to local Field Operations Division (FOD), Family Support Services Division (FSSD), Adult Protective Services (APS), and Children and Family Services (CFSD) staff. The sampled employee must respond to the task engaged in at a specific date and time highlighted in the text of the survey.

(b) Responsibilities for RMTS.

(1) Each county director ensures the:

(A) employees in their respective counties respond to all survey hits as soon as possible; and

(B) monthly responses are completed by the 7th day of the following month. All responses for the quarter must be completed by the 7th day of the following month at the end of a quarter.

(2) The RMTS administrator in each county:

(A) assists the county director in ensuring that all survey hits have timely, completed responses;

(B) reroutes or forwards hits to new employees filling a vacancy;

(C) responds on behalf of vacant positions and employees on extended medical leave; and

(D) responds on behalf of employees on leave to meet the quarterly deadline of the 7th day of the month following the end of the quarter.

(3) Each employee responds to the RMTS:

(A) immediately upon receipt or return to the office; and

(B) as accurately as possible to ensure the integrity of the time study.

(c) **Webpass.** The employee participating in the RMTS completes a registration for a Finance Webpass password to access the RMTS response documentation screen that displays all information necessary to record a sampled employee's response. The employee registers through a RMTS hit, or accesses steps (1) through (6) in sequential order through the OKDHS InfoNet. The Finance Division e-mails a new password to the employee immediately after the six steps are completed.

(1) OKDHS Tools.

(2) Finance Applications.

(3) Speed-E-Travel.

(4) Main Tasks.

(5) Register New User.

(6) Employee User ID. Submit.

(d) **RMTS e-mail hit.** The employee's e-mail RMTS hit:

(1) identifies the sender as STO.FINANCE.CARE.RMTS.ADMIN@OKDHS.org;

(2) identifies the high importance status of the e-mail;

(3) identifies the employee and division of the position sampled;

(4) highlights the date and time targeted to respond for task performed. The date and time the hit is sent is not the targeted time and date for a response;

(5) provides the link to respond;

(6) provides the link to register for the Finance Webpass password; and

(7) provides information for technical assistance.

(e) RMTS response.

(1) The employee selects to respond to the e-mail hit and the log-in screen appears. The log-in screen provides the security that the appropriate employee is the responder, and is completed before access to the documentation response screen. The employee types in the employee's user identification number and Finance Webpass password. The log-in screen provides employee the opportunity to:

(A) register for Finance Webpass password;

(B) change the password; or

(C) remind employee of password. Upon employee's request, a password is e-mailed within 15 minutes.

(2) The employee completes the log-in process and the documentation screen appears. An employee's selection on the response documentation screen determines the federal or state funding.

(A) The employee selects the first block by highlighting:

(i) the specific client type or program or client referral to a division or program if the employee is a FOD, FSSD, or APS employee;

(ii) if the employee is a CFSD employee, the first block describes the status of the client; or

(iii) general activities, such as leave, lunch, break, not on duty, or vacant, or general support activities, such as personnel or other similar situations.

(B) The employee selects from a menu of activities in the second block.

(i) For FOD, FSSD, and APS employees, the activities are generalized into:

(I) income maintenance;

(II) client services; and

(III) general referrals to divisions or programs.

(ii) For CFSD employees the activities are:

(I) eligibility determination/redetermination;

(II) case management;

(III) recruitment/approval/development of foster case and adoption homes;
and

(IV) training.

(C) The employee enters the client's case number in the third block. This information is required for state and federal audit of programs when the specific response involves a client of OKDHS. It is optional if the response is general.

(3) The employee clicks the log your response icon at the bottom of the response documentation screen to register the response.

PART 9. ELECTRONIC BENEFIT SERVICES

DHS:2-11-70. Electronic benefit services

(a) Scope. The Finance Division Electronic Benefit Services (EBS):

(1) ensures issuance of benefits to clients receiving food benefits, Temporary Assistance for Needy Families (TANF), and subsidized child care benefits, as well as child care providers through the Access Oklahoma program; and

(2) provides technical assistance to Oklahoma Department of Human Services (OKDHS) staff in local human services centers and area offices.

(b) Technical assistance. EBS assists OKDHS staff with technical issues described in this subsection.

(1) Vendor Help Desk. EBS Contractors provide a toll-free Help Desk to assist clients with account balance and card cancellation. The toll-free number is located on the back of the client's benefit card. Problems with the vendor's Help Desk are referred to EBS.

(2) Vendor system access. OKDHS staff needing help with new or resetting passwords contact EBS staff or refer to the EBS handbook. Additional copies of the handbook are available by contacting EBS.

(3) Benefit cards.

(A) Cancellation. A client's benefit card is cancelled by calling the toll-free number located on the back of the benefit card. When the vendor's Help Desk is unavailable, contact the EBS staff for assistance.

(B) Issuance. EBS staff assist local human services center staff with the issuance of benefit cards. Benefit cards are printed at the individual local human services center's embosser.

(C) Linking. EBS staff is contacted to link benefit cards to the:

(i) Food Stamp Program;

(ii) TANF Program; and

(iii) Child Care Program.

(4) **Vendor system issues.** EBS staff is immediately contacted to report vendor system issues. EBS staff coordinate with Data Services Division or the appropriate vendor to correct the problem.

(5) **Automated teller machine (ATM) client issues.** When a client has an ATM issue, the client completes a disputed claim with the vendor by calling the toll-free number on the back of the benefit card. The vendor researches and credits the client's account, if appropriate.

(6) **Payee changes.** Human services center staff determine a new payee's access to the current balance. Payee benefit changes are made by the worker at the local human services center, per EBS procedures.

(7) **Retail vendor issues.** Retail vendor issues are directed to the Help Desk number provided in the retail vendor handbook. Any issues not resolved with Help Desk are directed to EBS.

(8) **Child care provider issues.** Child care provider issues are directed to the vendor Help Desk for resolution. Reports of unsatisfactory performance by or regarding the vendor Help Desk are directed to EBS.

(9) **Child care payments.** Child care overpayments and the assessment and collection of liquidated damages are processed per OAC 340:2-11-150.

(10) **Access to electronic benefit transfer (EBT) child care.** Access to EBT child care is granted after submission to EBS of Form 10EB003E, Password Request for EBT Child Care Administrative Terminal Functions.

(11) **EBT child care adjustments.** Requests for payment adjustments are made by submitting Form 10EB004E, Report of EBT Child Care Payment Adjustments, per instructions for the form.

(12) **EBT manual child care claims.** EBS pays child care providers based on approved benefit card swipes. Upon prior approval of the EBS staff, a manual child care claim is submitted on Form 10AD121E, Child Care Claims.

(13) **EBT fraud.** A client, vendor, or provider suspected of fraud is reported to the Office of Inspector General via Form 19MP001E, Referral Form.

PART 11. OPERATIONS**DHS:2-11-80. Warrant control**

(a) **Scope.** The Oklahoma Department of Human Services (OKDHS) Finance Division Electronic Benefits Services provides warrant control per OAC 340:2-11-92.

(b) **Returned warrants.**

(1) **Administrative warrants.** Returned administrative warrants are processed through the Finance Division Electronic Benefits Services (EBS). Notification of returned warrants is available by accessing the returned warrant tracking option on the Finance Division AS400 computer system.

(A) Designated staff in each division is responsible for accessing the returned warrant file and coding for appropriate warrant disposition.

(B) EBS personnel enter an option to either remail or cancel.

(2) **Benefit warrants.** Designated human services center staff is responsible for:

(A) accessing the BML list on the IMS mainframe on a daily basis to verify returned warrants; and

(B) completing the BMU transaction per OAC 340:65-5-18.

(c) **Replacement warrants.** When a payee fails to receive a warrant or the warrant is lost, canceled by statute, stolen, or mutilated after receipt, procedures at OAC 340:2-11-92 are followed.

DHS:2-11-81. Settlement agreements

The Oklahoma Department of Human Services (OKDHS) enters into settlement agreements only when traditional purchasing and payment mechanisms are no longer available. The OKDHS Finance Division or Legal Division originates and approves all settlement agreements.

(1) Settlement agreements include:

(A) employee payroll;

(B) litigation; and

(C) vendor.

(2) Employee payroll and litigation settlements are approved by, and originate in the Legal Division.

(3) The Finance Division must approve all other settlement agreements before they are submitted to the Legal Division.

PART 13. PAYROLL

DHS:2-11-90. Scope

The Finance Division Payroll Unit is responsible for:

- (1) tracking and maintaining the attendance and leave of Oklahoma Department of Human Services (OKDHS) employees;
- (2) processing employee pay level changes as indicated;
- (3) preparing and submitting payroll to the Office of State Treasurer; and
- (4) accounting for proper distribution of wage attachments from individual OKDHS payroll warrants.

DHS:2-11-91. Voluntary deductions

(a) For voluntary payroll deductions, such as supplemental insurance premiums, charitable contributions, credit union deductions, or employee association membership dues, the employee contacts the company and the company sends the appropriate documents to the Finance Division Payroll Unit for processing.

(b) For U.S. savings bond payroll deductions, the employee completes Form SB-2362, Authorization for Purchase and Request for Change, obtained at the local office and submits the form to the Payroll Unit.

(c) The employee completes Form 10PL022E, Request for Payroll Change – Voluntary Deductions, to:

(1) change the amount of voluntary payroll deductions for supplemental insurance premiums; or

(2) cancel voluntary payroll deductions for employee association membership dues, savings bonds, charitable contributions, and supplemental insurance premiums.

DHS:2-11-92. Changes in withholding tax

Form W-4, Employees Withholding Allowance Certificate, or Form W-5, Earned Income Advance Payment Certificate, is completed on the day a new employee enters on duty per OAC 340:2-1-27. To change the amount of withholding taxes, the employee completes and submits to the Finance Division Payroll Unit:

(1) Form W-4; or

(2) Form W-5, if applicable.

DHS:2-11-93. Payroll warrant distribution

(a) Each employee chooses to receive pay direct deposited into a:

(1) checking account;

(2) savings account; or

(3) paycard account.

(b) The employee completes Form 10OA073E, Automatic Deposit Transmittal, and submits it with the required documents to the Finance Division Payroll Unit for processing.

(c) Courier service for payroll warrants is provided to the local unit for new employees until their election has been processed.

DHS:2-11-94. Annual leave accrual rates and limits

(a) Annual Leave. Probationary and permanent employees accrue annual leave based on the number of years of cumulative service. Employees accrue annual leave based on an hourly accrual determined by the number of hours worked (excluding overtime), paid leave, and holidays. The annual leave accrual and accumulation schedule applies to eligible employees.

(b) Hourly rate. The hourly accrual rate is determined by dividing the annual accrual amount by the total number of hours in the payroll year. This decimal number is then multiplied by the number of hours in the pay period, converted to minutes. Pay period hours fluctuate depending on the number of workdays in each pay period, 16th through 15th.

(1) For example, an employee who earns 15 days, 120 hours, of annual leave per year and is paid for 184 hours for the pay period earns 10 hours and 32 minutes for the pay period.

(2) The calculation is:

(A) $120 \text{ hours} \div 2096 \text{ payroll year hours} = .057251$; and

(B) $.057251 \times (184 \text{ pay period hours} \times 60 \text{ minutes}) = 632 \text{ minutes}$ or 10 hours and 32 minutes.

(c) Accrual rate.**(1) Less than five years of cumulative service.**

(A) Accrual rate is 15 days per year.

(B) Accumulation limit is 45 days (360 hours).

(C) Maximum hours eligible to be paid upon termination is 30 days (240 hours).

(2) Five but less than ten years of cumulative service.

(A) Accrual rate is 18 days per year.

(B) Accumulation limit is 78 days (624 hours).

(C) Maximum hours eligible to be paid upon termination is 60 days (480 hours).

(3) Ten but less than 20 years of cumulative service.

(A) Accrual rate is 20 days per year.

(B) Accumulation limit is 80 days (640 hours).

(C) Maximum hours eligible to be paid upon termination is 60 days (480 hours).

(4) 20 years and more of cumulative service.

(A) Accrual rate is 25 days per year.

(B) Accumulation limit is 80 days (640 hours).

(C) Maximum hours eligible to be paid upon termination is 60 days (480 hours).

(d) Separation. Upon separation of an employee from the Oklahoma Department of Human Services (OKDHS), payment is made for any unused annual leave, within the 240-hour and 480-hour limitations, that has accumulated to the employee's credit. Payment for this leave is at the current hourly rate of pay.

(1) An employee detailed to special duty at time of separation is paid at his or her authorized job classification rather than at the detailed position rate of pay.

(2) Payment of unused annual leave is automatically made to the employee on a terminal payroll following the payroll period of separation.

(3) No payment to the Oklahoma Public Employees Retirement System is made by OKDHS on, or is withheld from, the lump sum of annual leave paid to the separating employee.

(e) Death. Upon the death of an employee of OKDHS, payment is made to the employee for any unused annual leave, within the 240-hour and 480-hour limitations, that has accumulated to the employee's credit.

DHS:2-11-95. Sick leave accrual rates and limits

Probationary and permanent employees accrue 15 days of sick leave per year. There is no accumulation limit on sick leave. Employees accrue sick leave based on an hourly accrual determined by the number of hours worked (excluding overtime), paid leave, and holidays.

DHS:2-11-96. Holidays

(a) Statement of policy. Holidays are granted in accordance with Oklahoma law and the Governor's proclamations, and observed in accordance with Oklahoma Department of Human Services (OKDHS) policies.

(b) Eligibility and exceptions. Holiday leave is accrued and charged on the date that the holiday is observed, except as noted in (b)(1). Holiday leave may not be taken prior to the date accrued.

(1) Computation of holiday leave accrual for part-time employees is based on the percentage of full-time equivalency (FTE) scheduled in the pay period in which the holiday occurs.

<u>Percentage of FTE</u>	<u>Holiday leave accrual hours</u>
<u>.00</u>	<u>0</u>
<u>.05</u>	<u>0</u>
<u>.10</u>	<u>1</u>
<u>.15</u>	<u>1</u>
<u>.20</u>	<u>2</u>
<u>.25</u>	<u>2</u>
<u>.30</u>	<u>2</u>
<u>.35</u>	<u>3</u>
<u>.40</u>	<u>3</u>
<u>.45</u>	<u>4</u>
<u>.50</u>	<u>4</u>
<u>.55</u>	<u>4</u>
<u>.60</u>	<u>5</u>
<u>.65</u>	<u>5</u>
<u>.70</u>	<u>6</u>
<u>.75</u>	<u>6</u>
<u>.80</u>	<u>6</u>
<u>.85</u>	<u>7</u>
<u>.90</u>	<u>7</u>
<u>.95</u>	<u>8</u>

(2) Temporary employees and other limited-term employees are paid only for hours actually worked and are not eligible for paid holidays.

(3) If an employee must work on an observed holiday or the observed holiday is a regular day off, the employee is granted a compensatory holiday to be taken later.

(4) If an employee is on leave on an observed holiday, including sick leave, holiday leave is charged on that day and may not be saved for later use. An employee must be in pay status or on furlough for the entire regularly scheduled workday before or the workday after the holiday to be eligible to accrue the holiday leave.

(c) **Compensatory holidays.** Compensatory holidays are granted as identified in (b)(3).

(1) Compensatory holidays must be taken prior to approval for use of annual leave except when the annual leave would otherwise be forfeited under the provisions of Merit Rule OAC 530:10-15-11(b)(5) which sets accumulation limits.

(A) Employees are responsible for making a request for compensatory holidays in the same manner as for annual leave.

(B) A supervisor may schedule the leave at OKDHS convenience when the employee has failed to do so within a reasonable time frame.

(2) Compensatory holidays must be taken within 90 days of the date accrued unless a longer period is authorized by the OKDHS Director. If, due to scheduling limitations, an employee is unable to take the compensatory holiday within the 90-day period, Form 10PL003E, Overtime Wage Exemption Claim, is submitted to the Finance Division Payroll Unit, in order to compensate the employee for the holiday.

(A) The employee's supervisor:

(i) attaches an explanation stating the reason the holiday was not scheduled and taken as leave; and

(ii) notes in the Comments column Holiday and the date of the holiday, for example, "Holiday, 07/04/06."

(B) The holiday is paid as straight time, base hourly rate.

DHS:2-11-97. Leave charges

(a) **Leave charges.** Temporary employee hours worked and leave charges are entered by the local timekeeper. The Finance Division Payroll Unit uses the charged leave data in calculating accurate wages.

(b) **Correction of leave charges.** It is the responsibility of each employee to review the monthly Current Leave Record at <http://finas400:8088/secWeb/PersFin/ListEFinDiv.jsp> to ensure leave charges have been correctly posted.

(1) When a discrepancy is noted, it is the employee's responsibility to call the error to the attention of his or her supervisor before the close of the pay period following the pay period in which the charge occurred, or the charge will be considered final. The discrepancy is corrected by the timekeeper using the Time/Leave Correction Form in the public folders, STO Finance, Payroll Timekeeper to notify the Finance Division Payroll Unit of the discrepancy in order for the error to be corrected.

(2) Any overpayment or underpayment resulting from clerical error in leave computation or reporting in the Finance Division Payroll Unit or by a timekeeper are corrected immediately upon detection.

(3) An employee who has received an overpayment is notified by the Finance Division Payroll Unit of the options available for repayment.

DHS:2-11-98. Employee name or address change

To make changes for an employee's:

(1) name, the employee submits a copy of the Social Security card and Form10AD014E, Notice of Change – Employee, to the Finance Division Payroll Unit;
or

(2) address, the employee:

(A) updates Employee Self-services, which generates an alert to the Payroll Unit;
or

(B) submits Form10AD014E to the Finance Division Payroll Unit.

DHS:2-11-99. Wage and tax statement distribution

Upon receipt of Form W-2, Wage and Tax Statement, the Finance Division Payroll Unit distributes Form W-2 by courier service to each Oklahoma Department of Human Services (OKDHS) unit.

(1) When an employee terminates employment within the payroll year, 12-16 to 12-15, Form W-2 is mailed to the latest home address provided by the employee.

(2) Requests for duplicate Form W-2 are made to the Payroll Unit.

DHS:2-11-100. Longevity

(a) A full-time or part-time employee having two or more years of continuous state service working more than 1,000 hours per year is eligible for an annual longevity payment per OAC 340:2-1-5. The pay schedule is:

<u>Total years of service</u>	<u>Annual payment</u>
<u>At least 2 years, but less than 4 years</u>	<u>\$250</u>
<u>At least 4 years, but less than 6 years</u>	<u>\$426</u>
<u>At least 6 years, but less than 8 years</u>	<u>\$626</u>
<u>At least 8 years, but less than 10 years</u>	<u>\$850</u>
<u>At least 10 years, but less than 12 years</u>	<u>\$1,062</u>
<u>At least 12 years, but less than 14 years</u>	<u>\$1,250</u>
<u>At least 14 years, but less than 16 years</u>	<u>\$1,500</u>
<u>At least 16 years, but less than 18 years</u>	<u>\$1,688</u>
<u>At least 18 years, but less than 20 years</u>	<u>\$1,900</u>
<u>At least 20 years</u>	<u>\$2,000</u>

(b) For every additional two years of service over 20 years of service, \$200 is added to the \$2,000 payment.

DHS:2-11-101. Wage attachments

Upon receipt of a notice of wage attachment, such as child support, levies, student loans, or garnishments, the Finance Division Payroll Unit complies with federal and state laws for appropriate deductions from payroll warrants.

(1) A notice of wage attachment is sent to the court, creditor, and employee.

(2) When the local unit receives notice of a wage attachment in error, the documents are forwarded immediately to the Payroll Unit for action.

DHS:2-11-102. Retirement - classified/unclassified/exempt service

(a) Retirement. Under rules of the Oklahoma Public Employees Retirement System (OPERS) at OAC 590:10, an employee is eligible to begin receiving normal monthly retirement benefits on the first day of the month coinciding with or following the employee's 62nd birthday, regardless of their number of years of creditable service.

(1) Any employee hired on or after January 1, 1983 must have six or more years of full-time equivalent employment with a participating employer before receiving retirement benefits.

(2) An employee may retire early with reduced benefits any time after attaining age 55 provided the employee has ten years of participating service.

(b) Rule of 80. An employee is eligible for normal retirement benefits when the sum of the employee's age and number of years of credited service equals 80. Employees who enroll in OPERS on or after July 1, 1992 are required to have 90 points, rather than 80, or be age 62 in order to qualify for normal retirement benefits.

(c) Disability retirement. An employee who must terminate employment due to health problems may be entitled to monthly disability retirement benefits. The employee must be:

(1) certified by the Social Security Administration as disabled within one year after the employee's last date physically on the job; and

(2) have eight years of creditable service.

(d) Application for retirement. The employee contacts the Finance Division Payroll Unit for an application to retire at least three months prior to the effective date of retirement. Contact may be by telephone, by e-mail, or in writing.

(1) Receipt of a completed application is acknowledged in writing by the Payroll Unit.

(2) Once a retirement is acknowledged in writing, it is not postponed or canceled without approval of the Director, appropriate chief officer, or division director.

(e) Unused annual leave at retirement. Payment for the employee's total unused annual leave, within the 240-hour and 480-hour limitations, is made to the employee on a terminal payroll following the payroll period of separation.

(f) Retirement information. Additional information is available at OPERS Employment

Retirement System, www.opers.state.ok.us.

PART 15. SYSTEMS**DHS:2-11-110. Finance Information Systems Unit security plan**

(a) Physical security. The Oklahoma Department of Human Services (OKDHS) Finance Division Finance Information Systems Unit (FISU), is responsible for the physical security of the Finance Division AS400 computer system.

(1) The Finance Division AS400 computer system is located in the Sequoyah Building. The location of the computer room is not marked.

(2) The facility and storage areas are in controlled access environments to prevent unauthorized access.

(b) Access. Access is controlled through the use of an employee's user identification (ID) number and password, issued by the FISU access administrator.

(1) System access. All requests for access to the Finance Division AS400 computer system are directed to the FISU access administrator. Access passwords are issued, monitored, and maintained by the FISU access administrator.

(2) Requesting Finance Division AS400 computer system access. Form 10SC001E, Request for AS400 Access, is used to request access to the Finance Division AS400 computer system. The form is located on the OKDHS Intranet Finance Division Web site.

(A) This form is completed and signed by the OKDHS employee and his or her supervisor and routed to the FISU access administrator.

(B) After verification that the employee is on OKDHS payroll, a one-time password is assigned to be used in conjunction with the employee's OKDHS user ID.

(C) The employee is required by the Finance Division AS400 computer system to change the password the first time he or she signs on to the computer.

(D) If access to a particular application is requested, the FISU access administrator notifies the owner of the application. The owner provides written authorization to the FISU access administrator.

(3) Status change. An employee's supervisor notifies the FISU access administrator of termination, name change, or transfer within OKDHS.

(A) The same day termination notification is given, the terminating employee's supervisor notifies the FISU access administrator of the termination via e-mail.

(B) The FISU access administrator verifies active status and accurate work locations of user IDs with access to the Finance Division AS400 computer system.

(4) **Access disabled.** Access to the Finance Division AS400 computer system is disabled when a user ID is inactive for a:

(A) 30-day period. The employee contacts FISU Help Desk to reactivate the user ID; or

(B) 90-day period. Form 10SC001E is completed to re-activate the user ID.

(5) **System passwords.** System password requirements are determined by the Data Services Division (DSD). FISU complies with DSD requirements.

(6) **WebPass registration.** Access to the Finance Division web-based systems requires WebPass registration, which is accessed from the OKDHS Intranet Finance Division Web site. Once registration has been completed, a non-expiring WebPass access password is e-mailed to the requesting employee.

(c) **Data security.** Data is owned by OKDHS and is accessible to all OKDHS divisions. All users are responsible for protecting client confidentiality and the integrity and security of data per Section 24A.1 et seq. of Title 51 of the Oklahoma Statutes and OAC 340:1-1-20. FISU has primary responsibility to ensure data security is in compliance with state and federal regulations. Methods utilized in securing data on the Finance Division AS400 computer system are described in of this subsection.

(1) **Finance Division AS400 computer system menu access.** Custom designed menus are developed based upon user access needs. The FISU access administrator controls menu access authorization.

(2) **Special authorizations.** The usage and current needs of users with special authorizations to menus or files are reviewed quarterly.

(3) **Finance Division AS400 computer system time-outs.** System values are established to terminate any user's session when the user's workstation is not accessed in a one-hour period. The system cancels the work session and requires the user to sign on again.

(4) **Finance Division AS400 computer system backups.** A complete system backup is scheduled weekly. All changes made on the system are backed up on a daily basis. Copies of backups are maintained off-site.

(5) **History files.** Files that require retention for a number of years are copied to tape or cartridge. One copy is retained in the computer room and a second copy is maintained off-site. Current files are included in the daily and weekly backups.

(6) **Request for FISU services.** To request FISU services, an electronic form, Finance IS Service Request, is completed. This form is located on the OKDHS Intranet Finance Division Web site. Users with a WebPass access password may complete the form electronically.

(d) **Software security.** FISU adheres to OKDHS regulations per DHS:2-41-16 regarding software licensing and copyright compliance and misuse.