

Ethics and Purchase Card use

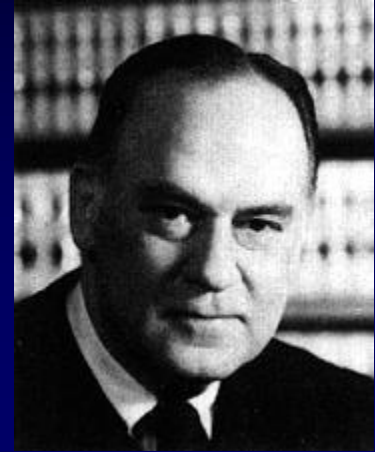
Regional Training

May 2014

Ryan Roberts, CPA

Office of the Utah State Auditor

Ethics



“Ethics is knowing the difference between what you have a right to do and what is right to do.”

-Potter Stewart, former Supreme Court Justice



Office of the
Utah State Auditor

Questions?

- Text Van at 801-808-0698 (cell phone)
- He will show them to Ryan



Ethics

- Illegal (criminal) – Embezzling funds
- Unethical – Using official position for personal gain
- Dishonest – Spending all your time at work on Facebook



Ethics Act

- Cities and Towns – *Utah Code 10-3-1300*
- Counties – *Utah Code 17-16a*
- *Utah Code 67-16 Utah Public Officers and Employees' Ethics Act* (State and all other political subdivisions of the State, including school districts)



Ethics Act

- Purpose:
 - “To set forth standards of conduct for officers and employees of the State of Utah and its political subdivisions in areas where there are **actual or potential** conflicts of interest between their public duties and their private interests.”



Ethics Act

- “It is an offense for a public officer, public employee, or legislator to:”
 - “(b) disclose or improperly use controlled, private, or protected information acquired by reason of his official position...in order to further substantially the officer’s economic interest...”
 - Special Projects manager defrauds city
 - Board member benefits from land purchase



Ethics Act

- “(c) Use or attempt to use official position to further substantially the officer’s or employee’s personal economic interest...”
 - Recent case with the Attorney General – May 2014
 - Top Utah Regulator granted favors – March 2013
 - City Councilman uses position to defraud others – July 2011



Ethics Act

- Cannot accept or solicit:
 - Gifts
 - Compensation
 - Loans
- Conflicts of Interest require full disclosure



Ethics Act

- Penalties:
 - Any public officer who knowingly or intentionally violates this chapter
 - Dismissed from employment or office, and
 - Charged with a misdemeanor or a felony depending on the severity of the violation



Purchasing Cards

- Used to establish a more efficient, cost-effective method of purchasing and payment.
- The card should NOT be used for personal use



Purchasing Cards

- Establish and enforce appropriate controls over purchase card use
 - Require a log to be kept of all purchases
 - Require receipts to be submitted for each transaction charged
 - Require approval of log and supporting receipts to be approved by a supervisor



Purchasing Cards (cont.)

- Require a monthly reconciliation between p-card statement and purchase log
- Require that training be taken before being issued a purchase card



Purchasing Cards

- Use of a purchase card should not circumvent bid requirements
- Indicate to suppliers that you do not wish to be invoiced to avoid duplicate payment
- Request an itemized receipt

02/24/2012	02/23/2012	00502428107	NJTP	TOLL	09:52:40	13	15E	11:12:35	1	16X	-	\$9.10	Y	STANDARD	N	\$1.72
02/25/2012	02/23/2012	00502428107	MdTA	TOLL	-	-	-	12:18:13	BHT	008	-	\$3.00	Y	STANDARD	N	(\$4.03)
02/25/2012	02/23/2012	00502428107	DelDOT	TOLL	-	-	-	11:29:50	D95	41	-	\$4.00	Y	STANDARD	N	(\$17.03)
02/25/2012	02/23/2012	00502428107	MdTA	TOLL	-	-	-	23:02:33	FMT	011	-	\$3.00	Y	STANDARD	N	(\$13.03)
02/24/2012	02/23/2012	00502428107	MTAB&T	TOLL	-	-	-	09:41:27	VNB	016	1	\$9.60	Y	STANDARD	N	(\$7.88)
02/24/2012	02/23/2012	00502428107	DRBA	TOLL	-	-	-	11:19:22	DMB	02	-	\$4.00	Y	STANDARD	N	(\$18.53)
02/24/2012	02/24/2012	00502428107	NJTP	TOLL	00:49:30	1	18E	02:13:48	10	06X	-	\$6.85	Y	STANDARD	N	(\$14.53)
02/26/2012	02/24/2012	00502428107	DelDOT	TOLL	-	-	-	00:33:18	D95	40	-	\$4.00	Y	STANDARD	N	\$3.97
02/24/2012	02/24/2012	00502428107	PANYNJ	TOLL	-	-	-	02:20:29	OBX	02	1	\$7.50	Y	STANDARD	N	(\$26.03)
02/25/2012	02/24/2012	00502428107	MdTA	TOLL	-	-	-	00:17:45	JFK	001	-	\$6.00	Y	STANDARD	N	(\$10.03)

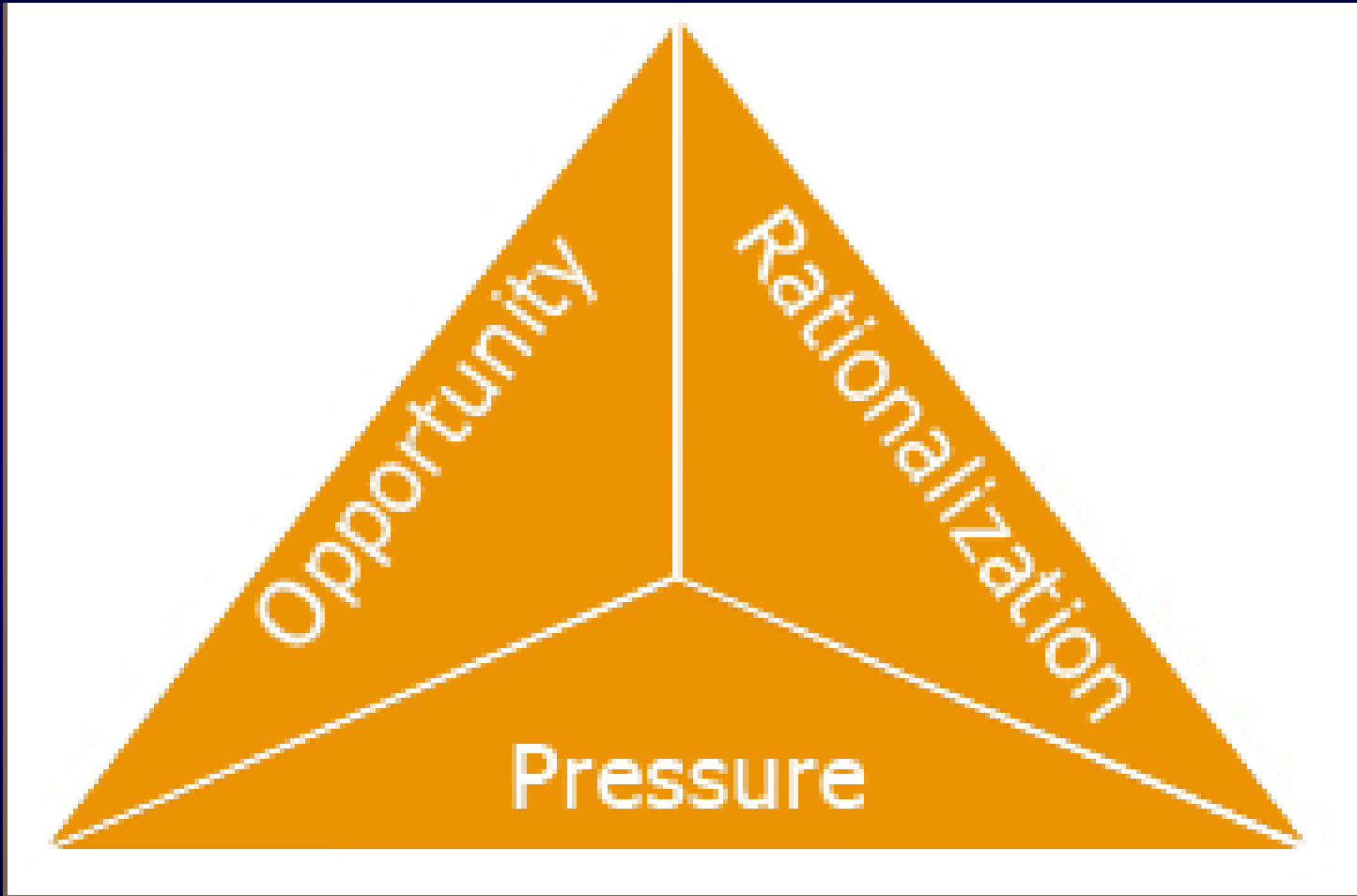


Purchasing Cards

- Resource:
 - Matt Jenkins, State Purchasing Card Program Administrator
 - Phone: 801-538-3615
 - E-mail: mattjenkins@Utah.gov



Fraud Triangle



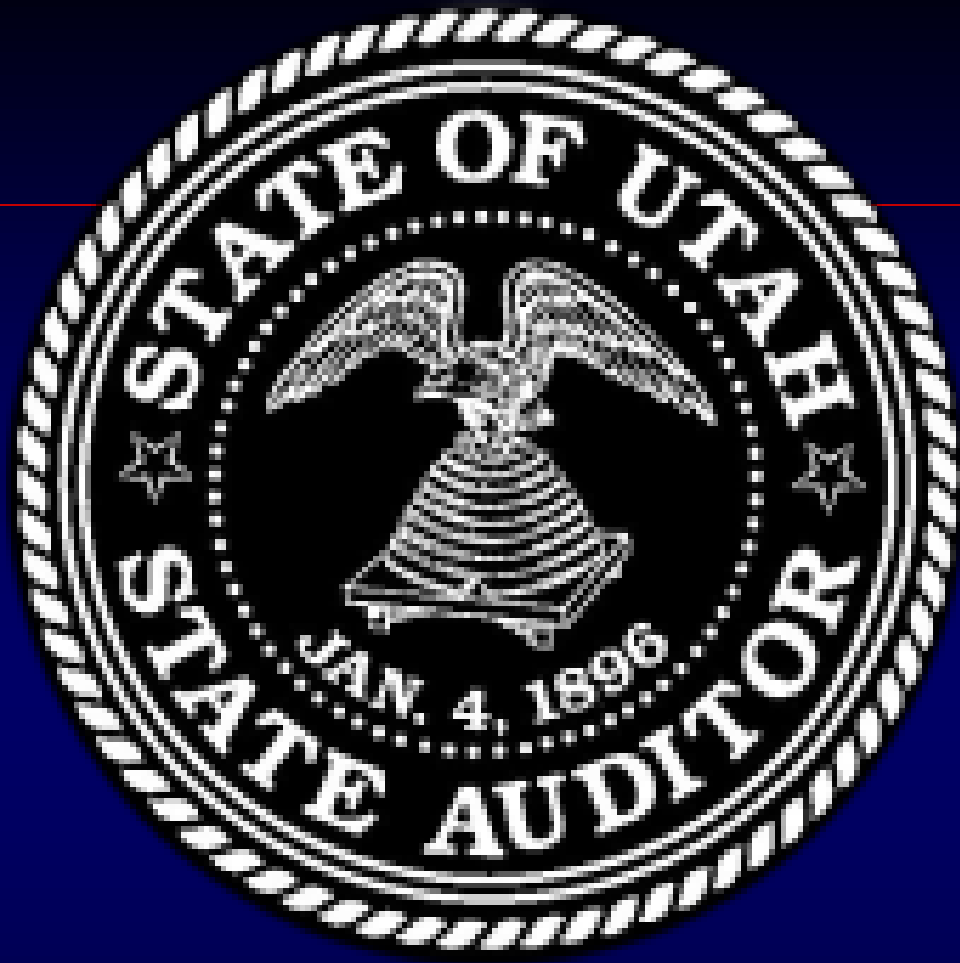
Hotline

Resource for citizens to call to
report concerns

hotline.utah.gov

1-800-622-1243





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