

Emergency Response CAL-Card (ERC) Procedure (State Agencies Only)

Introduction

An emergency as defined in PCC section 1102 is “a sudden and unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property or essential public services”.

Further, State Administrative Manual (SAM) section 3511 states if an emergency “requires the immediate purchase of supplies or equipment without the taking of bids, the requisitioning agency will attach to its requisition a statement regarding the emergency. The statement will be signed by an officer of the agency. Acceptable statements will show that the emergency condition is one which would not have been avoided by reasonable care and diligence or that there is an immediate threat of substantial damage or injury to persons committed to the agency's care, to employees of the agency, to members of the general public, or to property for which the agency is responsible.”

Poor planning is not an emergency.

In the event of an emergency as defined above, it is critical that State agencies and departments have the ability to quickly and efficiently fulfill mission tasks issued by the California Governor’s Office of Emergency Services (Cal OES) or as determined by agency directors pursuant to their authority under PCC sections 10122, 10302 and 10340. These activities often require the expedient acquisition of goods and services. Due to the sudden and unexpected nature of disasters in California, emergency acquisitions often take place after normal business hours, on weekends, and must be done quickly.

The Emergency Response CAL-Card (ERC) procedure is designed to allow approved buyers to acquire emergency supplies and services in the most expeditious manner.

Intent of the ERC

As necessary to assist governmental agencies and for the protection of public health, safety and the environment, State agencies shall enter into contracts to arrange for the procurement of materials, goods, and services necessary to quickly assist with the response to and recovery from the impacts of a disaster.

The ERC should only be used in response to a disaster or in an emergency after the Governor’s Office has issued a disaster proclamation and when other payment mechanisms are unfeasible or unavailable.

ERC Purchase Tracking

The ERC is issued with an emergency product code identifiable by the card issuer and agency Program Administrator. ERCs are generated under a separate managing account than those used by regular purchase cards. All transactions are reviewed on a monthly basis as necessary by the State CAL-Card Contract Program Administrator (SCCPA) to ensure compliance under the ERC procedures, CAL-Card contract and agreement, and CAL-Card use. It is still the responsibility of the agency Program Administrator for general oversight and account reconciliation.

Due to the fact that federal reimbursement may be available for emergency related spending, it is required that all “emergency” response card purchase records and documentation (aka procurement file), including receipts and transaction information, is tracked separately from regular card purchases and retained per policy. While the SCCPA can generate a report for emergency purchases, agencies must fulfill all purchasing responsibilities, as is required for regular CAL-Card purchases, ensuring all documentation is complete, accurate and submitted in compliance with FI\$Cal and State Controller’s Office requirements.

Per SCMF, Chapter 2 Procurement Planning, Section B Formulating the Acquisition Approach, Topic 10 Emergency Purchases, Item 2.B10.1 Required Documentation, procurement documentation to be provided to DGS/PD, as applicable, includes:

- A description of the emergency.
- Explanation of how the situation falls within the parameters of an emergency justifying the emergency purchase.
- Explanation of the consequences of making the purchase through normal procurement processes.
- A description of the goods and/or services and price.
- The names and quotations of suppliers contacted.
- Approval of the Department Director or designee.

In addition, each emergency purchase **will require** a copy of the emergency proclamation and mission task(s) associated with the required purchase.

ERC Funding

All purchases secured with an ERC as the payment mechanism will be funded by the cardholder’s office or division’s budget. The expenditures to budget will be itemized in the ERC procurement file.

ERC Limits and Restrictions

The ERC shall have the maximum single and monthly purchase limit amounts unless otherwise specified by the agency. An ERC will not have any merchant category code (MCC) or travel related exclusions other than the currently defined high risk [MCCs](#) listed on the CAL-Card web site.

ERCs are never deactivated for non-use. It is imperative that these cards be kept **secure and only used in response to a disaster or emergency.**

ERC Participation

Requests for the implementation of an ERC for an agency must be approved by the State CAL-Card Contract Program Administrator.

To participate in the ERC program or request additional ERCs for an existing program, the agency's current (ERC) Program Administrator, Procurement and Contracting Officer (PCO) or Purchasing Authority Contact (PAC) must complete the [Emergency Response CAL-Card Application](#) and [Emergency Response CAL-Card Managing Account Set Up Request](#) and submit both to the [State CAL-Card Contract Program Administrator](#) for approval.

ERC Team Roles

An agency wishing to participate in the ERC Program must identify and assign the following roles to trained procurement staff as follows:

Program Administrator (PA)	Primary PA
PA (Alt)	Provides uninterrupted back up to primary
Billing Official (BO)	Authorized accounting official ¹
Approver	Authorized approver of purchases
Cardholder (CH)	Card user and transaction reconciler
Reconciler (Alt)	Provides uninterrupted back up to CH

For full definitions of the responsibilities of these roles, refer to SCMF, Chapter 8 Disbursements, Financing and Payment Programs, Section B Finance and Payment Programs, Topic 3 CAL-Card Program Participation Requirements, Item 8.B3.2 Requirement to Designate Staff, Roles, and Responsibilities.

¹Accounting personnel authorized to issue inquiries directly to the contractor on behalf of agency's Accounting Office.

Other important information

Pre-planning is critical to the success of emergency response procedures and execution. All Program Administrators are required to ensure all CAL-Card accounts are current and adequate staff are available and assigned to reconcile both regular and emergency response card purchases and approve for payment in a timely fashion.

All cardholders should be notified of their point of contact for ERC issues. It is expected that the agency's ERC point of contact is available 24/7 during an emergency. It is recommended that the ERC be assigned to the agency's designated Emergency Manager to avoid implementing last minute changes to the ERC cardholder and subsequent notifications of a change.

The ERC cardholder and supporting staff should be properly trained in all purchasing rules and regulations, CAL-Card use, and ERC staff roles and responsibilities. This includes but is not limited to:

- Procurement laws, regulations, policies, and best practices
 - CAL-Card Participating Addendum, Amendments (if applicable), User Instructions, and State Agency Subscription Agreement
 - State of California CAL-Card Procedure Manual (under development)
 - State agency's CAL-Card program documents including internal processes and procedures
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