



Connecticut State Colleges & Universities Purchasing Card Policy and Procedure Manual

Campuses

Connecticut State Colleges & Universities System Office
Connecticut State Community College

Effective 7/1/23

Pcard Manual

Forward

The Connecticut State Colleges and Universities (CSCU) governed by the Board of Regents for Higher Education offer students an affordable, accessible, high quality option to further their education or career development. This manual contains a compilation of the Board of Regents policies which govern pcard activities as well as a summary of the Connecticut General Statutes and administrative regulations relevant to the pcard process.

PURPOSE OF THIS MANUAL

The purpose of this document is to provide guidance covering pcard and related functions. This document should be read in conjunction with the Board's separately issued Procurement Manual, Accounts Payable Manual, and Travel Manual as well as any other relevant manuals, procedure and policies

This manual was developed by CSCU members, and has been reviewed by a wide constituency, including CT State Community College and CSCU System Office.

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1.0 INTRODUCTION.

Welcome to the Connecticut State Colleges & Universities (CSCU) Purchasing Card (Pcard) Program. This program is for all Pcard holders at CSCU System Office and Connecticut State Community College (CT State). The Purchasing Card issued by JP Morgan Chase, is a credit card which acts as a procurement tool offering an alternative to the existing procurement processes. It provides an efficient and effective method of purchasing and paying for approved items with a value less than \$5,000. The Purchasing Card program is designed to delegate authority and capability to quickly and conveniently purchase approved commodities and services directly from vendors that accept MasterCard. This program was created with the assistance of college and system office staff, and is designed to meet your purchasing needs more efficiently.

2.0 AUTHORIZATION. The Pcard program is operated under the provisions of CSCU Procurement Manual, which cites the statutory authority that permits the each President, or their respective designees, to engage in purchasing activity. That manual further sets forth the statutory provision that *each President may be held personally liable* for the costs associated with any purchasing contract that does not meet the requirements of state statute or CSCU policy. Therefore, all Cardholders under this P-Card program must be approved by the college President or their respective designees, via the formal designation of Requisition and Commitment Authority as provided in CSCU Procurement Manual and referenced further herein.

3.0 OTHER CARDS. Additionally, the use of other college credit cards beyond the system Pcard program, is permissible only as outlined in the CSCU Procurement Manual, and generally only for specific, large volume vendors who do not accept the chosen Pcard (e.g. only accept their own vendor card).

4.0 BENEFITS. The benefits of the procurement card are significant and include:

Benefits to the Cardholder and Campus:

- a. Allows you to obtain goods faster and easier than before.
- b. Reduces workload related to the purchase of and payment for goods.
- c. Allows you to be more efficient and to focus on value added job duties.
- d. Reduces clerical and administrative processing time.
- e. Provides authorized users with greater autonomy.
- f. Only one monthly statement will be received for verification and reconciliation.
- g. No need to prepare and obtain requisition, purchase order and invoice related forms and approvals for numerous small transactions.
- h. No purchase order or requisition is required, therefore no typing and tracking of individual purchasing and receiving documents is required.
- i. Eliminates approvals for individual purchase orders and invoices.
- j. Receive orders immediately or within days instead of weeks.

Benefits to the College and System Office:

- a. Reduces the large volume of small dollar purchase orders, invoices and checks.
- b. Enables Purchasing and Accounts Payable staff to focus on higher yield, value added activities.
- c. Considerably reduces the number of vendors in the vendor database.
- d. Prompt payment to the vendor may result in better prices and improved vendor relations.
- e. Significantly reduces the number of paper transactions.
- f. Purchasing will have more time to negotiate better contracts.

5.0 AUTHORIZED USE.

- a. **Business Use Only.** The purchasing card may only be used for purchases related to College or System business. The purchasing card may not be used for any foundation business. Use of the card for personal purchases is also strictly prohibited.
- b. **Named Cardholder Only.** The purchasing card may only be used by the named cardholder, who may not delegate the authority to use the card to any other person except as specifically authorized in accordance with Travel (Section 8.0).
- c. The Business Office and/or Procurement Shared Services is responsible for monitoring user compliance with the procedures outlined in this manual.

6.0 HOW IT WORKS.

- a. The purchasing card simplifies the procurement and disbursement process by facilitating point-of-demand procurement. Purchasing authority is delegated to the ordering departments enabling the authorized Cardholders to place orders directly with the suppliers.
- b. The college and system office determines which users should have this authority and what limits should be placed on each individual's authority (e.g. dollar, commodity and transaction limits).
- c. For security and accountability, all P-Cards are issued in the name of an individual, with the CT State or System Office name and logo printed on the card. Use of the Purchasing Card will in no way affect or change your personal credit history.

- d. The vendor validates purchases made with the Purchasing Card at the point-of-sale. The MasterCard system validates the transaction against pre-set limits, which are determined by the college or system office separately for each person who has a card, but which cannot exceed the limits listed below.

7.0 P-CARD TYPES AND LIMITS.

- a. For **“Purchasing Staff”**, e.g. those Cardholders as part of their prime responsibility is to make purchases for the whole system.
1. Single purchase limit (e.g. cost per individual item) not to exceed \$10,000 with the sum of all items/services purchased at one time not to exceed \$50,000
 2. Travel limits (also see Travel section for additional information):
 3. Single purchase limit (e.g. cost per individual item) not to exceed \$10,000
 4. Cost per transaction for multiple travelers not to exceed \$50,000 in total (e.g. air tickets purchased at one time for multiple employees traveling together)
 5. Spending limit per month – One hundred thousand dollars (\$100,000).
 6. Number of transactions allowed per day - twenty (20)
 7. Number of transactions allowed per month - Two Hundred (200)
- b. For **“Purchasing Users”**, e.g. those Cardholders who routinely making purchases for multiple or large departments, individual Cardholder limits may not exceed:
1. Single purchase limit (e.g. cost per individual item) not to exceed \$2,500* with sum of all items/services purchased at one time not to exceed \$5,000.
 2. Travel limits (also see Travel section for additional information):
 3. Cost per individual traveler transaction not to exceed \$2,500
 4. Cost per transaction for multiple travelers not to exceed \$5,000 in total (e.g. air tickets purchased at one time for multiple employees traveling together)
 5. Multiple purchase transactions up to \$5,000 each in the same day are permissible if necessary to arrange authorized travel for multiple different travelers, up to prescribed daily / monthly Cardholder limits
 6. Number of transactions allowed per day - twenty (20)
 7. Number of transactions allowed per month - Two Hundred (200)
 8. Spending limit per month - Twenty Thousand Dollars (\$20,000)
 9. Approved commodity code(s) - (Merchant Commodity Codes established by the bank and encoded into the magnetic strip on the reverse side of the card.)
- c. For **“Individual Users”**, e.g. those Cardholders normally making purchases for a single department, individual Cardholder limits may not exceed:
1. Single purchase limit (e.g. cost per individual item) not to exceed \$2,500* and sum of all items purchased at one time also not to exceed \$5,000**
 2. Travel limits (also see Travel section for additional information):
 3. Cost per individual traveler transaction not to exceed \$2,500
 4. Cost per transaction for multiple travelers not to exceed \$5,000 in total (e.g. air tickets purchased at one time for multiple employees traveling together)
 5. Multiple purchase transactions up to \$5,000 each in the same day are permissible if necessary to arrange authorized travel for multiple different travelers, up to prescribed daily / monthly Cardholder limits
 6. Number of transactions allowed per day - ten (10)

7. Number of transactions allowed per month - One Hundred (100)
 8. Spending limit per month - Ten Thousand Dollars (\$10,000)
 9. Approved commodity code(s) - (Merchant Commodity Codes established by the bank and encoded into the magnetic strip on the reverse side of the card.)
- d. **Exceptions** to the above Cardholder limitations may be granted on a case by case basis upon the request of the college or system (including President's or designee approval of purchase authority form) and approval of the Purchasing Card Administrator.
- e. ***Commodities.** The single item limit of \$5,000 is not subject to change for commodities because commodities above this amount may be subject to capitalization requirements, and must follow prescribed purchasing, accounts payable and accounting procedures.
- f. **Split Purchases.** Purchase of individual items which together exceed "sum of items purchased" dollar limits should normally be planned and processed via regular purchase order process, not by Pcard.
1. Separate Pcard transactions should not be processed to avoid the "sum of items" limits **except** for authorized travel expenses as outlined separately in this policy.
 2. For purposes of determining and applying "single item" and "sum of items" limits, the presumption shall be to consider how an item or multiple items at one time would have normally and reasonably been ordered and paid for if limits did not apply, and the total value for that normal transaction determines the application of the limits, for example:
 3. Large numbers of certain supplies or books that are normally purchased in one order should not be split into two orders to avoid the sum of items limits;
 4. Travelers normally pay for multiple hotel nights on a single trip as one transaction, and should not pay separately for each night to avoid the sum of items limits.
 5. Large numbers of certain supplies or books are purchased; later the same day another order is placed with the same vendor. This is permissible if the substance of the two transactions represents two separate purchases that would normally have been handled separately regardless of the sum of items limit.

8.0 TRAVEL PURCHASES.

- a. **Authorization.** An appropriate Travel Authorization covering the individual(s) travelling must be in place and approved in accordance with normal procedures prior to the use of the Pcard for any travel purposes.
- b. **"Purchasing Staff", "Purchasing Users" and "Departmental Users"** may utilize their assigned Pcard to arrange and pay for authorized travel and related expenses for individuals of the college /department, or for authorized group travel arrangements of multiple students and/or employees of the college/ department, including but not limited to airfare and other transportation, conference registration fees, event tickets, hotel, etc., provided that, if required by the hotel or other vendor, the appropriate arrangements are made in advance with the vendor (who may require a Purchase Order

or other evidence to guarantee payment on behalf of traveler(s), since reservations are not being made with the traveler's personal credit card).

c. **Prohibited Purchases while traveling.**

1. Personal expenses must not be charged to the Pcard, including movie rentals, personal telephone charges, restaurant, room service, etc.
2. Certain business-related expenses may never be charged to the Pcard, including
3. Meals where a "per diem" is provided
4. Gasoline for State vehicles except in the case of pre-authorized out-of-state travel using a State vehicle.

9.0 OTHER ALLOWED PURCHASES. The following are *examples* of the types of items or services** that may be purchased with the card. This list is not intended to be all-inclusive and other appropriately authorized goods and services not otherwise prohibited may also be purchased under the Pcard program. All Pcard purchases must comply with other applicable requirements in accordance with Section 13.0 , and are limited to goods and services necessary for official college business.

- a. Advertising, promotional, or public relations items (also see "Gifts" Section K below)
- b. Awards, gift cards, gifts and prizes authorized and paid by Student Activity, Institutional Welfare or grant programs and funds, or under sanctioned college recognition activities (also see "Gifts" Section 11.0 below)
- c. Books and periodicals
- d. Dues and professional memberships (business, technical, professional, and institutional memberships only)
- e. Educational experiences (events, museums, field trips)
- f. Equipment NON-CAPITAL ONLY under \$5,000 as defined under CSCU fixed asset policy (except "controllable" equipment, which may not be purchased using P-Card)
- g. Event related expenses, including but not limited to
 - o Food or catering** for official college / system-sponsored meetings, events and functions
 - o Participation by college officials in their official capacity in externally sponsored public, community, or business events
- h. Gasoline for State vehicles only for pre-authorized out-of-state travel (as included in an approved Travel Authorization)
- i. Graduation event expenses including food/catering** and entertainment**
- j. Hardware supplies
- k. Library books (must be coded in Banner to 7906A to ensure creation of capitalized library record)
- l. Maintenance supplies,
- m. Postage and shipping
- n. Rentals of any type (some of which may have a service** component)
- o. Repair parts and materials
- p. Social and cultural activities (including related food/catering** and entertainment** expenses) sponsored by the college / system as part of its mission
- q. Software only when it does not house confidential data and will be installed on College owned equipment and was approved by IT Protocol process.
- r. Computer supplies and non-controllable computer equipment
- s. Subscriptions (departmental use only)
- t. Supplies - Office, laboratory, and educational supplies

u. Tools, fixtures, and miscellaneous apparatus

Purchasing meal expenses for guests and staff are restricted to meetings held for the entertaining of guests and staff while on CSCU official business as part of their official capacity and pre-approval from a supervisor and /or senior leadership has been received in writing. Meal expense is limited to \$50 per person an exception can be granted if approved by senior leadership. Expenses for alcoholic beverages is not allowable. At the conclusion of the meal, the cardholder must obtain an itemized bill from the restaurant and list the names of the attendees on the receipt, which is to be attached to a Purchasing Card Documentation form.

10.0 RESTRICTED PURCHASES. The purchasing card is NOT to be used for the following commodities or services except where specifically allowed elsewhere in this policy. (Purchases of the restricted items listed below and purchases in excess of \$5,000 must be processed in accordance with established procurement and disbursement policies and procedures):

- a. Alcoholic beverages
- b. Entertainment related expenses (except as allowed in section 9.0.)
- c. Cash advances of any type
- d. Cellular phones and related monthly charges
- e. Clothing (except as educational supplies, Section 9.0)
- f. Construction and renovation services
- g. Debit cards and Gift cards used like cash (e.g. Visa money card, vendor cards) (except as allowed in Section 9.0)
- h. Equipment and furnishings (defined as capital equipment over \$5,000 or controllable equipment under \$5,000)
- i. Fine arts
- j. Firearms
- k. Food, beverages consumed at vendor's location (e.g. restaurants and bars) (except as allowed in Section 9.0)
- l. Food, catering or restaurant take-out for CSCU employees (except as allowed in Section 9.0)
- m. Gasoline (except as allowed in Section 9.0)
- n. Gifts/donations (see "Gifts" Section 13.0 below)(except as allowed in Section 9.0)
- o. Internet service providers
- p. Moving services
- q. Personal use items (attaches, folios, pen/pencil sets etc.)
- r. Precious metals
- s. Prescription drugs and controlled substances
- t. Radioactive materials (except as educational supplies)
- u. Reimbursements of any type
- v. Tobacco products

11.0 SUBSTANCE OF TRANSACTION; GIFTS. For the purposes of this policy generally, and in particular for promotional, gift, award, honoraria, recognition, and other similar items, the substance of the transaction must be reviewed in order to determine if the expense is allowable. The fact that the terminology "gift" is used does not necessarily prohibit the transaction, e.g. student, community, trustee or other awards that are recognition of some accomplishment or service may be referred to as "gifts" but may really be authorized

promotional items, awards or prizes consistent with the college/system mission. Only when a transaction provides no benefit (e.g. exchange) to the college, and is truly an altruistic action (e.g. a charitable donation or transfer of value to an individual or other entity for no value in return) would the substance of the transaction represent a “gift”, regardless of whether the actual term “gift” is used. In general, the purchase of “gifts” is prohibited, except for those which are appropriately authorized and therefore allowable gifts approved in accordance with Student Activity, Welfare or Grant-funded programs.

If you have any questions regarding a restricted purchase, please contact CSCU-PCardSSO@commnet.edu or rpeters@commnet.edu.

12.0 CHANGES. The lists of allowed and restricted commodities may be updated from time to time. Cardholders should regularly check the on-line manual for updates at <https://ctregents.sharepoint.com/sites/CSCSFinanceSSO>

13.0 OTHER REQUIREMENTS. While the Pcard provides an administratively convenient and easy method of obtaining and paying for low-dollar-value goods and services, it is important to remember that Cardholders are only authorized to do so in compliance with other applicable requirements, including but not necessarily limited to the following:

Requisition / Approval – An individual with “requisition authority” must approve the purchase, which indicates that the requested goods or service are necessary for the business of the end-user department. In the case of P-Card purchases, a formal signed Purchase Requisition is not required, but the named Cardholder must ensure that the requestor has requisition authority on file. The request itself may be documented via any method that identifies the requestor and purchase request (Purchase Requisition, memo, email, handwritten notation, etc.); otherwise the Cardholder will be deemed to have made the purchase under his/her own requisition authority.

Travel Authorization – Must be in place in accordance with normal procedures prior to the utilization of the P-Card for any travel related purchases.

Student Activity purchases – Must be authorized by the student government in accordance with its normal procedures.

Budget Availability – The department and/or business office must ensure that appropriate budget is available, as in any other procurement, in accordance with its normal procedures.

Contract Compliance – Any procurement that requires a written, signed and approved contract must follow appropriate contract compliance procedures. In this instance, the P-card becomes a convenient method of procurement after such contract is in place.

Other Applicable Requirements - Accounts Payable, Fixed Asset and all other applicable policies, laws, regulations, or other requirements continue to apply.

College Authority – This Pcard policy provides the limits of what is potentially allowable under the State-sanctioned CSCU Pcard program, but the college and system office will determine the extent to which authority will actually be provided to any purchasing and/or individual Pcard

holder, within the limits provided in this policy. The college may request that dollar limits and types of purchase authority be restricted to a lesser (but not greater) amount or scope for any Cardholder.

14.0 PURCHASING CARD PROCEDURES:

14.1 RESPONSIBILITIES OF CARDHOLDER.

The cardholder is responsible for:

- a. Completing a Purchasing Card Application Form and obtaining necessary approvals
- b. Assuming responsibility for all purchases made with the card and for making such purchases in accordance with applicable policies and procedures and in agreement with the limits imposed on the application/cardholder agreement.
- c. Using the Card for college or system business and approved items only.
- d. Recording all purchases on the Purchasing Card Log and maintaining all supporting documentation (proper receipts, vendor order form, cash receipts, etc.).
- e. Attending the mandatory training session before a card is distributed.
- f. Verifying receipt of goods and following up with the vendor to resolve disputes and delivery problems, and arranging for returns, credits, etc.
- g. Reporting lost or stolen card immediately.
- h. Safeguarding card security at all times.
- i. Repaying improper charges and being personally liable for misuse.
- j. Preparing the reconciliation of the Purchasing Card Log to the bank statement monthly. (Note: The reconciliation process shall be completed within ten (10) business days from receipt of bank statement.

14.2 RESPONSIBILITIES OF THE DEPARTMENT MANAGER.

The Department Manager or Departmental Approver is responsible for:

- a. Consulting with Procurement Shared Services regarding appropriate usage and limits of P-Card for an individual cardholder. Recommending card limits and approved commodities for a cardholder.
- b. Ensuring that cardholder application is consistent with the employee's purchasing authority and departmental budget.
- c. Reviewing reconciled Purchasing Card Log and ensuring purchases were made for departmental use and approving Log or obtaining appropriate departmental approver's signature according to the CSCU Purchasing Policy.
- d. Identifying misuse and bringing it to the attention of management / human resources.
- e. Contacting Pard Administrator to cancel card if a cardholder's employment is terminated or changes to the Pcard limits/use are required.

14.3 RESPONSIBILITIES OF THE CAMPUS BUSINESS OFFICE.

The Business Office is responsible for:

- a. Managing the campus application process by reviewing and approving the Cardholder application then sending to the Pcard Administrator.
- b. Ensuring that cardholder has both the "Requisition Authority" and "Purchase Authority" under CSCU Purchasing Policies

14.4 RESPONSIBILITIES OF THE PURCHASING CARD ADMINISTRATOR

The System P-Card Administrator is responsible for:

- a. Overseeing and managing Purchasing Card program for CT State and the System Office.
- b. Reviewing and approving the Cardholder application.
- c. Processing initial P-Card setup in Banner (FTMCARD) and updating it with any changes as requested by colleges.
- d. Monitoring and resolving problems with automated processes and Banner issues as needed.
- e. Serving as a liaison between the bank and the colleges on disputes, lost or stolen cards and other issues and questions.
- f. Requesting issuance and cancellation of cards as well as changes requested to card limits.
- g. Requesting cards and providing mandatory training for cardholders.
- h. Conducting random audits to ensure compliance with the CSCU policies and procedures.
- i. Reviewing reconciled Purchasing Card Log for accuracy and to ensure purchases were made in agreement with the CSCU's purchasing policies and procedures.
- j. Identifying potential misuse and bringing it to the attention of management / human resources.
- k. Records retention according to State Library policy (3 years) either electronically or hardcopy.
- l. Reconciling P-Card activity to Banner monthly and reallocating expenditures from the default FOAP if necessary.
- m. Processing monthly payment to the bank for all P-Card activity.

15.0 SALES TAX EXEMPTION. The Connecticut Community Colleges are tax-exempt organizations. The tax-exempt number must be given to all vendors by the Cardholder at the time of the transaction to be exempt from payment of state sales tax. If sales tax is billed incorrectly to the Cardholder's account, it is the responsibility of the Cardholder to dispute the charge as outlined in the section "Disputing a Transaction".

16.0 ORDERING PROCESS. The Purchasing Card may be used to purchase approved goods and services in person (at the point of sale), over the phone, by mail or over the internet. Please remember when using your card over the internet, to be sure that you are using a secure site. When placing your order, please be sure to provide the vendor the following information:
Identify yourself as a State of Connecticut employee.
State that it is a tax-exempt purchase and provide the tax-exempt number
(Obtain this number and/or tax-exempt form from Procurement Shared Services)
Provide card number and expiration date as well as the delivery address including building and room number.
Verify the total cost of the purchase with the vendor.
If making a purchase in person, obtain original receipt, showing item cost and description and the vendor.
Inform the vendor not to send a bill or invoice to the ordering department or Accounts Payable.
Submitting an invoice for a charge card transaction may result in a duplicate payment.

17.0 RECORD KEEPING AND PROOF OF PURCHASE. You will receive instruction on using the Pcard Team files at the time of your Pcard training. The folder has your Name, Fiscal Year, and Billing Cycle. Your Pcard log, receipts, and any supporting documentation should be scanned and placed in the current billing cycle folder. You must keep your paper receipts/document according to the record retention policy

18.0 RECONCILIATION. Each month you will receive a Cardholder statement listing all your purchases from the bank. Check this statement against your sales receipts and packing slips and the Purchasing Log to ensure that you have received all the goods for which you have been charged. Reconciliation process must be completed within 10 business days from receipt of bank statement. Upon reconciliation, add the statement, PCard log, receipts and any other pertinent documentation to your Team folder in the appropriate Billing Cycle. The Departmental Approver*, who will review and approve monthly charges online. Then Pcard Administrator will review and recode in Banner, if applicable, each billing cycle. (*Note, under CSCU Procurement Policy, each college may establish additional interim approval requirements. Be sure to also follow any such requirements.)

19.0 DISPUTING TRANSACTION. The monthly invoice from JP Morgan Chase must be paid in full to avoid finance charges. Therefore, all disputed items must be paid for when billed, and resolved after the fact. The Cardholder is responsible for following up with a vendor regarding any erroneous charges, disputed items or returns within fifteen (15) business days from receipt of the bank statement. Disputed charges can result from failure to receive goods, fraud, or misuse, altered charges, defective merchandise, incorrect amounts, duplicate charges, credits not processed, etc. The Cardholder should contact the vendor first to resolve any outstanding issues. If the Cardholder is unable to reach agreement with the vendor, the next step is to complete a "Statement of Questioned Item" form and send it along with any supporting documentation to the Purchasing Card Administrator Procurement Shared Services, Finance Department, 61 Woodland Street, Hartford, CT 06105 CSCU-PCardSSO@commnet.edu or rpeters@commnet.edu . All disputed transactions must be submitted to the Purchasing Card Administrator within thirty (30) days of the monthly cycle date. Your request will be sent directly to the bank for review. When the bank has completed its investigation, the Cardholder will be informed of the resolution and any corrections that were made. Please note that, by law, vendors are not permitted to bill your credit card for purchases until the items have been shipped.

20.0 RECEIPT OF GOODS AND SERVICES. The Cardholder is responsible for verifying receipt of goods and services and following up with the vendor to resolve any delivery problems, discrepancies, or damaged goods.

21.0 RETURNING ITEMS. Item(s) should be returned directly to the vendor by whichever means the vendor requires. The Cardholder is responsible to see that the proper credit is posted for any returned item(s).

22.0 WHERE CAN YOU USE THE CARD. The card can be utilized at virtually any location or remotely (phone, internet, mail) with any vendor that accepts MasterCard.

23.0 PURCHASING CARD ADMINISTRATION

23.1 ACQUIRING PURCHASING CARD. Only regular full or part time employees of the CT State or CSCU System Office will be permitted to receive a Purchasing Card. The Cardholder is required to read the Purchasing Card User Guide and must adhere to all Purchasing Card policies and procedures outlined therein. Failure to attend the mandatory training session will prevent receipt of the card. An individual may only receive his or her card after the following:
Completing an Application Form and obtaining all necessary approvals.
Attending a Mandatory Purchasing Card Training Session.
Signing a Cardholder Agreement Form.

23.2 CANCELING PURCHASING CARD. To cancel a Purchasing Card the card must be shredded by the Business Office. A written request to cancel the card, including confirmation of the destruction of the physical card and the effective date of the cancellation, must be sent by the Director of Finance or the Dean of Administration to the Purchasing Card Program Administrator. A copy of the written request should be retained by the Business Office. Upon receipt, the card will be cancelled in Banner and at the bank. A Cardholder must notify the Business Office to cancel their card prior to leaving the College or accepting a position in a new department.

23.3 CHANGING PURCHASING CARD. To request changes in purchasing card default accounting distribution (Fund, Organization, Account, Program), single purchase limit, monthly limit, number of transactions per day, number of transactions per month and allowed commodities (Merchant Category Groups or Codes) a change request must be completed, using the purchasing card addendum form with all necessary approvals in place, including the signatures of the Cardholder, Department Head, the Dean, and the Business Office.

Changes impacting the cardholder's Requisition and Commitment Authority dollar and accounting limits must be requested via the Purchasing and A/P authorization Form signed by the cardholder and the President.

23.4 RENEWAL OF PURCHASING CARD. A new Purchasing Card will automatically be sent to the P-Card Administrator at least thirty (30) days in advance of your current card's expiration date. Renewed cards will be forwarded by the P-Card Administrator to the Director of Finance. The Business Office will distribute the card to the cardholder after verification of your continued employment in the same department, and of continuation of appropriate Requisition and Purchasing authority approved by the President or Chancellor.

23.5 LOST OR STOLEN PURCHASING CARD. It is the responsibility of the cardholder to report a lost or stolen Purchasing Card immediately. Notification must be made by phone directly to JP Morgan Chase @ (800) 848-2813 and to the Purchasing Card Program Administrator at the time of the occurrence. Verbal reports of lost or stolen Purchasing Cards must be followed in writing utilizing the "Lost or Stolen Procurement Card Notification Form" as soon as possible.

23.6 PURCHASING CARD SECURITY. Only authorized Cardholders may use their Purchasing card. The cardholder is directly responsible for the proper use of the card in accordance with established procedures. Cards and card numbers must be safeguarded by the Cardholder against use by unauthorized individuals. Extra care must be exercised when the card is used both in person and via the phone or internet to ensure that the card is not compromised. Only reputable, secure web commerce sites can be used for purchases.

23.7 PURCHASING CARD BREACH. Purchasing card transactions must be reviewed vigilantly by the purchasing card holders in the monthly JP Morgan Chase statements. In addition, Procurement Shared Services staff that examines and reallocates transactions in Banner must also review FAAINVT/FWIINVT forms populated daily by the transactional process to identify potential fraud. If a card breach is identified, it must be communicated immediately to the bank, the Campus Business Office and the System PCard Administrator. The compromised purchasing card must be closed at the JP Morgan Chase and in Banner. Any fraudulent transactions charged to the compromised card must be disputed as outlined in Section II Chapter I "Disputing Transaction" above. In some cases, fraudulent transactions are identified by the JP Morgan Chase as pre-authorizations, placed by scammers to verify validity of the card they are attempting to breach. If such transaction is identified, JP Morgan Chase will contact the cardholder at the telephone number provided with the purchasing card application. Bank representative will verify whether the transaction being questioned is legitimate. If transaction is confirmed to be fraudulent, the bank will close the compromised card and will reissue a new one. The purchasing card holder must notify the Business Office immediately and the Business Office will notify Pcard Administrator and Procurement Shared Services, in order to facilitate necessary changes and to document the occurrence accordingly.

23.8 PURCHASING CARD MISUSE. As a Cardholder, you assume the responsibility for the protection and proper use of the Purchasing Card. Misuse of the Purchasing Card will be handled promptly and uniformly for all Cardholders. Refer to the Post Audit section of this manual for how consequences of misuse will be handled. The following situations constitute misuse of the Purchasing Card:

Use of card for personal purchases.

Use of card by an individual other than the Cardholder, except as authorized on the Purchasing and AP Authorization Form. This includes allowing other employees in the same office to use the Card, even on Cardholder's behalf. Other employees who require a Card must obtain their own Card after obtaining all approvals, including Presidential purchasing authority.

Use of card to purchase a restricted item as identified in the user guide.

Use of card in violation of CSCU's purchasing policies.

Use of the card in excess of assigned Cardholder limits, available budget and/or after the expiration date.

Splitting orders at point of sale to avoid the single transaction limit.

Failure to reconcile charges within the period specified.

23.9 RECORD KEEPING. All purchase receipts and supporting documentation should be kept electronically in Teams, starting on the 27th (transactions from 27th through the 26th should be recorded on each log). The Purchasing Log form must be used for recording and reconciling monthly transactions and filing supporting documentation. Transactions must be recorded on the log daily as they occur. The information contained on this log must be reconciled to your

monthly bank account statement. The following information must be recorded on your Purchasing Log each month:

- Cardholder Name
- College
- Department Name
- Statement Date (26th of the month)
- Last 4 digits of the Card Number
- Default expenditure coding Fund Organization Account Program (FOAP)
- Transaction Date: the date order was placed
- Vendor name: the vendor with whom the order was placed
- 1099 checkmark: note if a service purchased may be 1099 reportable
- Items purchased: brief description of the item(s) purchased
- Total Cost: cost of the order including shipping and handling
- Reallocation FOAPAL: if a charge needs to be recoded to a distribution other than the default FOAP associated with the card, if known. (Business Office will also review and/or assign coding, if necessary)
- How item was ordered: P = Phone; M = Mail; I = In Person; W = Web
- Vendor Order Number: Many vendors will assign an order or confirmation number to your purchase (usually phone or web orders). If a number is assigned, please make a note of it here. For telephone orders, please note the full name of individual who took the order in this block.
- Date Received: date the order was received.
- Partial/Final: note if the shipment was partial or final. P = Partial; F = Final.
- Statement Reconciled: Indicate with a check mark if item reconciles with the bank statement. Use the comment area to address unreconciled items (e.g. items not yet received damaged or return goods and/or unusual circumstances).

IMPORTANT: The following items are important to ensure appropriate records keeping:

- Every care should be exercised in maintaining original receipts/invoices.
- Please remember that the colleges are tax exempt institutions and purchases should not include any state sales tax. If tax was charged, you should get a credit from the vendor.
- If you wish to be afforded the protection of the Uniform Commercial Code (UCC), it is recommended that you obtain a written quote from the vendor for single item purchases in excess of \$500.00. The UCC affords the buyer certain rights and remedies in the event of a dispute.

23.10 PURCHASING CARD AUDIT. To ensure the continued success of the Purchasing Card Program and to meet audit requirements, periodic audits will be made of Cardholder's accounts to ensure that items purchased have been received and that policies and procedures are being followed. Conformance to these procedures will be monitored by the Purchasing Card Administrator. In addition, audits may be conducted by the Comptroller's Office staff. Audits will be completed in accordance with the following guidelines:

- Periodic audits will be completed for randomly selected cardholders.
- Audit reports will be completed to record any infractions against the categories of misuse outlined herein.
- Audits will be completed as time permits subject to the quantity of cards issued.

- Audits will be completed more frequently on high volume accounts and those accounts where infractions were previously identified.

23.11 POST AUDIT. Audits will be conducted for the purpose of confirming compliance to established procedures for card use and to report areas of card misuse for further action. The Cardholder's Supervisor and the Business Office will be informed and/or copied on all such actions. In addition, disciplinary action, in accordance with regular human resources guidelines, may occur separately. Consequences of misuse may include the following administrative actions:

Verbal notification of infraction.


Written notification of infraction.

Temporary suspension of Cardholder privileges with mandatory re-training.

Card suspension with permanent loss of privileges.

Revised effective 7/1/2023.

Approved by:

DocuSigned by:

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6/15/2023

Benjamin Barnes, Chief Financial Officer, CSCU

Date