

## **PURCHASING CARD POLICIES AND PROCEDURES GUIDE FOR CARDHOLDERS**

### **A. General Overview**

Mansfield University initiated a “Purchasing Card Program:” with PNC. The Purchasing Card is an internationally accepted Visa credit card issued to authorized University personnel to be used only for business purposes. The purchasing card is to be used for **supplies and merchandise only**. The card may not be used for personal purposes or for payment of contracted services. Spending controls are determined individually for each card, ensuring that the card can only be used for specific purposes and within specific dollar limits.

The benefits of the Purchasing Card program include:

1. The Purchasing Card is designed to streamline the procurement process. Departments will be given a purchasing card that can be used to make purchases from vendors who accept VISA. Use of the Card by department heads, departmental secretaries, and other authorized users expedites and simplifies the purchase of goods and supplies. It also allows department’s greater flexibility in procuring needed items, especially from vendors that do not accept purchase orders.
2. Use of the Card improves efficiency and reduces costs involved in small dollar purchases. It eliminates the need to enter and process requisitions, purchase orders, or Direct Payment forms, as well as the processing of individual invoices and vendor checks. The University for all Purchasing Card charges receives one monthly invoice.

### **B. Issuance of Purchasing Cards**

1. The purchasing card program is administered by the Purchasing Department, which will coordinate the issuance, maintenance, and cancellation of cards with the University’s processor, PNC, administers of the Purchasing Card program. Visa cards are provided with the MU logo and are typically issued in the name of an individual user. Individual cards are assigned a per transaction dollar limit, typically \$1,000 but with higher levels for certain operations as appropriate. Monthly dollar limits are also established (\$1,500 or higher depending upon historical departmental expenditures).
2. Purchasing Cards are issued to department heads, who may further delegate use of the card to departmental secretaries or other selected individuals in their areas. Cards may be issued to other selected individuals authorized by a department head to make credit card purchases on behalf of the department. **DO NOT SIGN THE BACK OF THE CREDIT CARDS.**

3. Cards will be issued to new cardholders only after they have received appropriate instructions and have signed a Purchasing Card Agreement Form.

C. **Cardholder Liability/Responsibility**

1. Department heads are responsible for any Purchasing Cards issued to their department. They may delegate use of the card to departmental secretaries or other selected individuals within their department; however, the department head is still responsible to make sure they purchase items in compliance with the Purchasing Card Policy. The department head is also responsible for all charges against the card.
2. Department heads and other designated cardholders are responsible for the proper use and safeguarding of cards issued to them. They must maintain accurate records of all Purchasing Card transactions, and promptly report any lost or stolen cards (see Section I). All purchases made with the card must be within established budgets and comply with University policy. **Individuals will be personally liable for any unauthorized charges.**
3. Intentional misuse of the purchasing card for other than official use is considered as fraud. **The purchasing card will be cancelled and may result in a disciplinary action against the employee.** The employee will also be personally liable for the total amount of any unauthorized purchases made in connection with the misuse.

D. **Use of the Purchasing Card**

1. Authorized cardholders may make purchases in person or by phone, mail, or Internet. Any ordered items must be shipped directly to the department.
2. Telephone, mail order, and Internet purchases should be made only from reputable merchants. Back orders should be avoided. Merchants should be asked for the total charge including any shipping and handling.
3. Mansfield University Purchasing Cards are marked as tax exempt. When making purchases, cardholders must inform merchants that the University is not subject to state sales tax. Any problems in this regard should be reported to the Purchasing Office. If upon reviewing receipts a cardholder determines that sales tax has been assessed, the cardholder should contact the vendor for a credit.
4. Departments which have multiple cards cannot use one card to get around the credit card limit. The Purchasing Card should only be used for the particular unit within the department that it was issued to.

5. The Purchasing Office has issued a Purchasing Cards for the following offices due to the exception:

Budget Office – The Budget Office have instances where department personnel travel to attend seminars and conferences. These personnel travel occasionally and they have no need to be issued a Travel Cards. The personnel may travel in groups and therefore use of the Purchasing Card to register for the conferences.

Searches – The Human Resources Department does searches for the University for faculty /staff vacant positions. They invite candidates to come on campus for interviews and to meet various department heads and chairperson. A Purchasing Card was issued to facilitate the search activities.

6. In case of an emergency the Purchasing Department Card maybe used to facilitate things. This use is limited to emergencies, and urgent needs.

However, these are occasions where vendors demand payment by use of a credit card. In such cases, when the vendor is listed on State or System Contracts. The Purchasing Department will opt to use the department credit card to facilitate that transaction. For another situation a Purchase Order will be issued.

7. Purchasing Cards may be used for:

- office, educational, and other operating supplies
- equipment, furniture, or furnishings up to \$1,500.00
- software up to \$1,500.00 upon approval of the Campus Technologies department
- maintenance, grounds, and custodial supplies (Facilities Management)
- library books and materials (Library)

8. **Examples of items which may not be purchased with the Purchasing Card include:**

- **Goods and Supplies in excess of cardholder transaction limits**
- **Travel-Related Expenses such as hotel, transportation, gas, airline tickets and meals, which must be processed as usual on travel expense vouchers**
- **Services of any type, such as consultants, honoraria, speakers, repair and maintenance services, etc. (due to contractual and 1099 vendor tax reporting requirements)**
- **Cash Advances**
- **Personal Items**
- **gifts, greeting cards, prizes, flowers, alcohol**
- **Subscriptions**
- **Memberships**

- **Conference Fees/Registrations**
- **Items that must go out for bid based on Commonwealth purchasing policies**
- **Food and refreshments**
- **College Community Services (CCSI) or Mansfield Foundation**

9. Items such as printers, software, computers & etc. cannot be purchased without the approval of the Campus Technologies Department. Purchase of a copier under \$1,500 for a department cannot be purchased without the approval of Print Shop and this item can only be purchased by the Print Shop. Any violation of these types of purchases can result in the credit card being cancelled.
10. Cardholders are not required to solicit competitive bids for their purchases. However, they should seek the best value for the University and ensure that the price paid is reasonable.
11. Each card is also assigned a monthly dollar limit that may not be exceeded.
12. The Mansfield University Purchasing Card program includes the ability to designate where spending is allowed by utilizing merchant category code blocking. Vendors are assigned an industry-specific code, and certain codes have been blocked or restricted from Purchasing Card use. If a department experiences a card decline from a vendor that provides eligible goods or supplies, the Purchasing Office should be notified.

#### **E. Dining Services**

1. The Purchasing Card will be used to remit payments to Sodexo Dining Services by the Controller's Office. The use of the Purchasing Card is for convenience and also to increase our rebate for using the card.

#### **F. Cardholders**

1. A "cardholder" will be assigned to each Purchasing Card issued. The responsibilities of the cardholder include:
  - Insuring only authorized personnel have access to the Purchasing Card. **STUDENTS ARE NOT AUTHORIZED USERS.**
  - Insuring receipts are turned in for all purchased made with the Purchasing Card. If the purchase is made via phone or internet, a packing slip should be collected.
  - Reconciling the monthly statement received from PNC with the receipt or packing slips collected.
  - The funds center (cost center) assigned to the purchasing card is the only account where purchases can be charged. (i.e. the Building

Maintenance card cannot be used to purchase vehicle supplies since there is a card assigned to Vehicles)

- Prepare a Purchasing Card Log, which must be submitted, to the Controller's Office, Room 131 Alumni Hall by the 12<sup>th</sup> of the next month. A copy of PNC's statements along with all receipts and packing slips must be attached to the purchasing log. The purchasing card log is only required to be completed if the purchased items are expensed to different general ledger accounts and/or to grants. If items are expensed to only one general ledger account the department may write "okay to pay" and the full general ledger account number on the statement and sign and date the statement.
- All purchases will be assigned to commitment item GL660. **NO** purchase of a single items with a value of \$5,000 or greater can be made with the purchasing card without having the Purchasing Departments approval.

#### G. Monthly Statements –

1. Purchasing Office will receive your monthly statements and forward them to your departments. Purchasing will review all monthly statements and contact departments for clarification if necessary and require written justification for all inappropriate purchases.
2. To assist the Controller's Office in verifying your monthly statements, we are requesting the following:
  - Have your receipts attached to your statement and log in the order they appear on the statement. **REMEMBER:** You must have a receipt for all purchases. If you are missing a receipt, a "missing receipt form" must be completed.
  - Have your statement with documentation attached and turned into the Controller's Office by the **12<sup>th</sup> of the month**. Also, have the online ProCard PVSNet allocation completed by the 12<sup>th</sup> of the month. This will give the accounting staff the time needed to process the entry before funds are deducted from our bank account.
  - Auditors examine all purchases and records of the university. They may question any of the purchases made by you from a vendor. As a cardholder, you are required to provide additional justification in response to questions they may pose.

#### **H. Return of Goods/Purchases**

1. Cardholders are responsible for all returns of goods. Returns will be credited to the cardholder's account. **Cash refunds are strictly prohibited.**

#### **I. Dispute Resolution**

1. If a cardholder does not agree with a charge posted on a monthly statement, he/she should attempt to resolve the problem with the vendor. If the vendor agrees that an error has been made, the vendor will issue a credit to the cardholder's account. The cardholder should also notify the Purchasing Office immediately of disputed charges. Cardholders should keep copies of all documentation dealing with disputed items until they are resolved.
2. If a purchase is found to be defective or incorrect, the cardholder is responsible for obtaining replacement, correction, or credit as soon as possible. If a merchant refuses to replace or correct the goods, or to offer a credit, the purchase is considered to be in dispute.

#### **J. Lost or Stolen Cards**

1. Report lost or stolen cards immediately to the Purchasing Department (570) 662-4148.
2. Cardholders will not be responsible for any charges after the card is reported lost or stolen.

#### **K. Exceptions**

The Purchasing Department must approve any exception to this Purchasing Card policy. The written justification/approval must be attached along with the invoice, credit card statement and the Excel spreadsheet which will be forwarded to the Controller's office.

The attached form must be filled out and approved by the Purchasing Department before any transactions is completed. Purchasing Department may not approve if the limits of the transactions is above the threshold requiring competitively bidding.



## MANSFIELD UNIVERSITY PURCHASING CARD MISSING RECEIPT FORM

I, \_\_\_\_\_, have either not received or have misplaced a Purchasing Card receipt, i.e. merchant sales slip.

This form is submitted in lieu of the original receipt.

Cardholder Department Name: \_\_\_\_\_

Card Number: \_\_\_\_\_

Date of Transaction: \_\_\_\_\_

Vendor Name: \_\_\_\_\_

#	Item Purchased and Purpose	Quantity	Unit Price	Amount
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

**I certify that the amounts shown above were expended for Mansfield University business purposes.**

Cardholder of Department Signature: \_\_\_\_\_ Date: \_\_\_\_\_

One form must be filled out for **EACH** missing receipt. Submit this form with your other receipts and your transaction log, within five business days of receipt of your monthly statement.